



AGENDA
RIO DELL CITY COUNCIL
REGULAR MEETING – 6:30 P.M.
TUESDAY, DECEMBER 15, 2015
CITY COUNCIL CHAMBERS
675 WILDWOOD AVENUE, RIO DELL

WELCOME . . . By your presence in the City Council Chambers, you are participating in the process of representative government. Copies of this agenda, staff reports and other material available to the City Council are available at the City Clerk's office in City Hall, 675 Wildwood Avenue. Your City Government welcomes your interest and hopes you will attend and participate in Rio Dell City Council meetings often.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Office of the City Clerk at (707) 764-3532. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to this meeting.

THE TYPE OF COUNCIL BUSINESS IS IDENTIFIED IMMEDIATELY AFTER EACH TITLE IN BOLD CAPITAL LETTERS

- A. CALL TO ORDER**
- B. ROLL CALL**
- C. PLEDGE OF ALLEGIANCE**
- D. CEREMONIAL MATTERS**
- E. PUBLIC PRESENTATIONS**

This time is for persons who wish to address the Council on any matter not on this agenda and over which the Council has jurisdiction. As such, a dialogue with the Council or staff is not intended. Items requiring Council action not listed on this agenda may be placed on the next regular agenda for consideration if the Council directs, unless a finding is made by at least 2/3rds of the Councilmembers present that the item came up after the agenda was posted and is of an urgency nature requiring immediate action. Please limit comments to a maximum of 3 minutes.

F. CONSENT CALENDAR

The Consent Calendar adopting the printed recommended Council action will be enacted with one vote. The Mayor will first ask the staff, the public, and the Council members if there is anyone who wishes to address any matter on the Consent Calendar. The matters removed from the Consent Calendar will be considered individually in the next section, "SPECIAL CALL ITEMS".

- | | |
|--|----|
| 1) 2015/1215.01 - Approve Minutes of the November 17, 2015 Regular Meeting
(ACTION) | 1 |
| 2) 2015/1215.02 - Approve Minutes of the December 1, 2015 Regular Meeting
(ACTION) | 15 |

G. ITEMS REMOVED FROM THE CONSENT CALENDAR

H. SPECIAL PRESENTATIONS/STUDY SESSIONS/PUBLIC HEARINGS

- | | |
|--|----|
| 1) 2015/1215.03 - Staff Presentation – First Quarter Financial Report FY 2015-16
(RECEIVE & FILE) | 19 |
|--|----|

I. SPECIAL CALL ITEMS/COMMUNITY AFFAIRS

- | | |
|---|----|
| 1) 2015/1215.04 - Negotiation of a Contract Extension with Eel River Disposal for
Solid Waste and Recycling Franchise Services Authorizing the
City Manager to Negotiate a Sole Source Contract
(DISCUSSION/POSSIBLE ACTION) | 28 |
| 2) 2015/1215.05 - Rio Dell Fire Department Water and Sewer Billing
(DISCUSSION/POSSIBLE ACTION) | 30 |
| 3) 2015/1215.06 - Wildwood Avenue Sculpture Pedestals
(DISCUSSION/POSSIBLE ACTION) | 31 |

J. ORDINANCES/SPECIAL RESOLUTIONS/PUBLIC HEARINGS

- | | |
|---|----|
| 1) 2015/1215.07 - Approve Resolution No. 1283-2015 Consenting to Inclusion of
Properties within the City's Incorporated Area in CHF Community
Facilities District No. 2014-1 (Clean Energy) to finance Renewable
Energy Generation, Energy Efficiency, Water Conservation and
Electric Vehicle Charging Infrastructure Improvements and
approving associate membership in CHF (DISCUSSION/
POSSIBLE ACTION) | 33 |
| 2) 2015/1215.08 - Approve Resolution No. 1284-2015 Consenting to Inclusion of
Properties within the City's Incorporated Area in CHF PACE
Program to finance Renewable Energy Generation, Energy and
Water Efficiency Improvements and Electric Vehicle Charging
Infrastructure Improvements and approving associate membership
in CHF (DISCUSSION/POSSIBLE ACTION) | |

K. REPORTS/STAFF COMMUNICATIONS

1. City Manager
2. Chief of Police
3. Finance Director - Check Register for November 2015
4. Community Development Director

70

L. COUNCIL REPORTS/COMMUNICATIONS

M. ADJOURNMENT

*The next regular meeting will be on January 5, 2016
at 6:30 p.m. in City Hall Council Chambers*

**RIO DELL CITY COUNCIL
REGULAR MEETING
NOVEMBER 17, 2015
MINUTES**

The closed session/regular meeting of the Rio Dell City Council was called to order at 5:30 p.m. by Mayor Wilson.

ROLL CALL: Present: (Closed Session): Mayor Wilson, Mayor Pro Tem Johnson, Councilmembers Garnes, Marks and Thompson

Others Present: City Manager Knopp and City Attorney Gans

(Regular Meeting): City Manager Knopp, Finance Director Woodcox, Community Development Director Caldwell, City Attorney Gans and City Clerk Dunham

Absent: Chief of Police Hill, Water/Roadways Superintendent Jensen and Wastewater Superintendent Chicora (excused)

CLOSED SESSION

Mayor Wilson announced the Council would be recessing into closed session regarding the following matter:

- 1) 2015/1117.01 - Conference **with Labor Negotiator – City Manager**
Concerning Labor Negotiations with Rio Dell Employees Association, Rio Dell Police Officers Association and Contract Employees
(Pursuant to Gov't Code Section 54957.6)

The Council reconvened into open session at 6:30 p.m.

Mayor Wilson announced there was no reportable action taken in closed session.

PUBLIC PRESENTATIONS

Nick Angeloff addressed the Council and said he helped his son with a science project and tested The PH of bottled water versus smart water versus Rio Dell's water and said Rio Dell's water had the second highest PH level. He commended the Water Superintendent Jensen for producing some of the best water around.

He also announced that he was not successful in winning the election for a seat on the Harbor Commission.

He then provided a brief update on activities of the Rio Dell/Scotia Chamber of Commerce and said that things are going well but they are still trying to generate funding. He said the Eagle

Prairie Arts District is doing good as well and reviewed the dates for the upcoming Christmas festivities. He announced the annual tree lighting will take place on December 5, 2015 beginning at 5:00 p.m. with Santa arriving around 6:00 or 6:30 p.m., the tree lighting at 6:00 p.m. and said the Rio Dell Baptist Church choir will be singing Christmas carols. On December 12th Jerry Rhody will giving an historic presentation at the Chamber of Commerce office; and on December 20th a movie at the WinemaTheater, *Santa Versus the Martians*.

Melissa Marks commented that there were a lot of new faces in attendance at the last City Council meeting, many of which were present for the swearing in of the two new police officers. She said since no one got the opportunity to meet them before the meeting she thought it would be nice if in the future the Council could organize a little get-together to allow citizens the opportunity to meet them and shake their hands.

CONSENT CALENDAR

Motion was made by Garness/Marks to approve the consent calendar including approval of minutes of the November 3, 2015 regular meeting. Motion carried 5-0.

SPECIAL PRESENTATIONS/STUDY SESSIONS

Presentation from Keenan & Associates/Discussion and Possible Action to Adopt Resolution No. 1277-2015 Authorizing Participation in the Public Agency Coalition Enterprise Joint Powers Agreement Related to Employee Health Benefits

City Manager Knopp provided a staff report and said staff has been exploring options for cost containment of healthcare benefits with cost continually rising. He said last year, the City received the largest increase they had ever seen which was 27% and was mitigated through voluntary action and agreement by employees for decreased healthcare benefits. He noted that healthcare is one of the primary employee benefits since not all salaries are at their desired level however; it is vital for the budget to keep costs contained. He said once again the City is anticipating an increase in health care costs and Keenan & Associates, the insurance provider staff has been working with has the potential to lessen the impact by stabilizing the rates and providing a robust healthcare plan to employees.

He said the proposed plan closely resembles the employee's previous plan and is administered through the Anthem Blue Cross network which will represent increased benefits and more stabilized rates which will have a positive effect on the budget. He said the employees met on multiple occasions and reviewed the plan and has unanimously agreed to the change in healthcare benefits.

City Manager Knopp then introduced Howell Southmayd, Vice President of Keenan & Associates to provide a presentation on their Scope of Services and to answer any questions the Council may have.

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Mr. Southmayd began by distributing copies of his presentation *City of Rio Dell, Scope of Services* and provided a brief overview of their company. He said Keenan & Associates who has been serving California public agencies for 42 years has more than 950 public agency clients and 117 healthcare clients.

He said he met the City Manager at a League of California Cities event and agreed to come and meet with staff to discuss the current plans and potential cost savings for the same or enhanced medical benefits.

He continued with review of the Public Agency Coalition Enterprise (PACE) JPA and said by joining PACE the City's employees will have the benefit of having a plan that closely resembles their previous Anthem Plan and includes over 8,000 members administered through the Anthem Blue Cross network which is why they are able to offer better rates.

With regard to savings and stability he explained the City's current plan is under a small group (less than 100 employees) age-rated plan which makes the rates more unstable whereas; the Keenan JPA is rated as a large group medical plan with composite rates. He said what that means is that the rates are not based on age but on a 3-tier program consisting of either 1) employee only; 2) employee plus one dependent; or 3) employee plus family. The estimated annual savings was \$15,000 and he noted that there are Wellness Programs available that also help to control costs of the Keenan Medical JPA.

He said the key benefits to employees are lower monthly costs; lower out-of-pocket maximum benefit; and wellness programs. He noted that under the current plan there is an out-of-pocket maximum of \$2,500 per person/\$5,000 per family; under the proposed plan it is \$1,500 per person/\$3,000 per family annually.

He thanked the City Council for giving him the opportunity to provide the presentation and said he is very proud to be able to offer their services to the City of Rio Dell.

Councilmember Thompson stated that with the last employee contract negotiations, the police department was provided a wellness program and asked if the wellness program through this plan will replace that plan.

City Manager Knopp said the current wellness program is part of their employee contract so they would essentially have the benefit of both programs.

Councilmember Johnson asked how the employees responded to the wellness program.

City Manager Knopp said the response was positive and agreed that employees should be rewarded for good health and fitness as it does reduce health costs.

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Councilmember Marks asked if the pool is large enough to absorb the costs should there be a catastrophic illness within the City's group.

Mr. Southmayd indicated that it would and explained the pool also has reinsurance and stop loss protection in the event of that happening.

Councilmember Garnes asked if employees would call Keenan's account manager, Crystal McDevitt or Anthem regarding claims management.

Mr. Southmayd said the process is to call Anthem initially to get the information on file then Crystal if they need any help; beyond that there is a team of other people that can help with any claims issues.

City Attorney Gans stated that he reviewed the PACE JPA By-Laws and wanted to call the Council's attention to a couple of provisions. He said the first provision is that there is a 2-year commitment for membership in PACE and should the rates increase after the first year, the City is locked in for an additional year. He said the only other provision he wanted to point out is that there is a joint liability obligation under the JPA to the extent that PACE incurs the first line of liability since PACE insures itself and provides coverage for any losses that any individual JPA member could allegedly be exposed to. He said to be candid, he could not think of a lot of instances where PACE would incur liability; third party liabilities that could give rise to a claim that could ultimately be passed on to JPA members. He noted that joint liability obligations are pretty consistent with other JPA's.

Mayor Wilson asked about termination of membership in the PACE JPA after two years and whether the 60 day notice requirement is in addition to the two years or included in the two years.

Mr. Southmayd said the membership requirement is a total of two years and that any member may terminate membership and participation in the JPA by providing notice in writing 60 days in advance.

City Manager Knopp clarified the recommended action and said unfortunately there was one document omitted from the Council packet which was the PACE JPA Agreement. He then distributed the document to Council for review and stated that it was reviewed by Attorney Gans and staff. He said what was included in the Council packet were the Bylaws that govern PACE and this is the PACE JPA Agreement. He noted that the two documents contain basically the same language.

City Attorney Gans further explained that the actual agreement that staff is asking the Council to approve was not included in the packet but Exhibit 'A' which is the PACE Bylaws are virtually the same in that they identify what the obligations are going to be and what Bylaws will govern the Board once the City becomes a member of the JPA. He said basically the JPA authorizes

the City Council to sign the JPA rendering the City obligated to comply with the Bylaws of the JPA.

Discussion continued regarding representation of the City on the Board of Directors; the process for electing new members to the Board; the difference between the Master Board and the PACE Board; the process for approving new members to the PACE Program; underwriting guidelines for adding new members; the Budget approval process for PACE; and the flexibility of different insurance plan options for employees.

Finance Director Woodcox pointed out that she currently serves as the City's representative on SCORE (Small Cities Organized Risk Effort) who handles the City's Workers Compensation Insurance as well as property and liability insurance and she attends quarterly meetings and each City gets one vote in determining the things that are brought forth on the agenda. She explained what happens with regard to the budget is that it is presented to the Board members and each member has a voice on the approval process. What she wanted to point out is that the City is already involved in a similar JPA and it works very well.

Motion was made by Johnson/Thompson to approve Resolution No. 1277-2015 authorizing participation in a Joint Powers Agreement (JPA) with the Public Agency Coalition Enterprise (PACE) Joint Powers Authority for the purpose of providing health insurance coverage for the City's employees. Motion carried 5-0.

Presentation from Eel River Disposal on Solid Waste and Recycling Franchise Agreement and current operations

City Manager Knopp provided a brief staff report on the Solid Waste and Recycling Franchise Agreement with Eel River Disposal which terminates on December 31, 2016 and introduced Rick Powell who was present to provide a presentation on their current services and add clarity on some of the issues.

Councilmember Thompson stated that he and Councilmember Johnson met with Rick Powell and Harry Hardin to discuss what they are doing to help achieve the 2020 recycling mandate and one of the exciting things they are doing is composting rather than putting food scraps in the garbage. He said another thing they discussed was the pros and cons of mandatory garbage collection.

Rick Powell proceeded with a presentation and said over the past several months they have been meeting with City staff and a couple of months ago the City Manager sent questions about the franchise agreement which he wanted to address.

He explained that there are several reporting requirements under the franchise agreement; most of which are quarterly including tonnage numbers and the methodology used for establishing rates. He said the software determines weight per container which gives them tonnage. He said they did a sample survey with the Cities of Rio Dell and Ferndale to make sure the correct

tonnage was being charged and both were within one-half percent of the methodology used to calculate tonnage.

He further reviewed the process related to recycling, the transfer station, buy-back options and said that also non-value recycled materials can be dropped off at their facility. He said from the \$113.80 per ton, \$99.00 goes to Humboldt Waste Management Authority (HWMA) and \$14.08 goes to ERD. From that, \$10.71 is deducted for hauling and passed back to Rio Dell and other cities.

He commented that there were a lot of questions that came out of the meetings such as Fortuna's host fee and why the Ferndale's rates are less than Rio Dell's. He explained that they pay Fortuna \$1.15 because they are the host city; Ferndale's fees are less because they only have a 2% franchise fee whereas Rio Dell has a 5% franchise fee. He noted that they also pay Rio Dell \$10.00/ton for recycling which is voluntary on their part.

He said another question was how they manage organics and said that's why they are working with the City of Fortuna to lease compost area at their wastewater treatment plant where they take green waste and mix it with their sludge and give it away. He said what they will propose to implement is to allow residents to put food waste with green waste but not commercial customers at this point. He said there is a great demand for soil in this area so it will be a good program to implement. He pointed out that the only way to achieve the 75% waste reduction by 2020 is with food waste.

He went on to report that ERD has held the solid waste franchise with the City of Rio Dell since 1987 when Harry Hardin purchased Eel River Disposal and they would like to extend the current franchise agreement 10 years which will allow them to amortize costs and minimizes increases to rate payers. He noted that the extension will also allow the opportunity to make changes to the reporting requirements.

Councilmember Johnson asked how many people ERD currently employs. Rick said there are approximately 90 employees from their facilities from Redway to Sonoma.

Mayor Wilson commented that staff and Council had feedback that basically complicated everything and ERD representatives had to clarify the issues. He said it would be extremely beneficial to meet with the City Manager or City Council to explain things so that it doesn't get that way again.

City Manager Knopp stated that he will be bringing back to the Council on December 15, 2015, the possible extension of the franchise extension and asked for Council feedback.

Councilmember Thompson said one thing that was discussed was the breakdown of the fees between HWMA and ERD and it was suggested that the format be revised to have everything on one page so it is easier to follow. He said the figures are all provided but for a new

councilmember coming in, it is somewhat hard to understand. He suggested a better spreadsheet to show mandated fees for HWMA and ERD.

Mayor Wilson asked Councilmember Thompson, as the City's representative on the HWMA Board if he saw anything that is a contradiction regarding the fees and charges.

Councilmember Thompson said he didn't see any contradictions but it would be beneficial to have a new simplified spreadsheet.

Mayor called for public comment on the matter.

Nick Angeloff addressed the issue and said that Rick Powell also made a presentation to the Chamber of Commerce earlier in the day and said he has had a relationship with ERD for years and what he has seen is that they provide top rate expanded services. He said the thought process is phenomenal and if the City gives them a 10-year extension of the franchise agreement, the Chamber endorses it.

Melissa Marks stated that older residents could benefit if there was a pick-up program for seniors for the Spring Clean-Up Event. She also commented on the overflowing recycle bins at City Hall.

Rick Powell indicated that they will be increasing the frequency of the pick-up of the recyclables at City Hall which will hopefully solve that problem.

He also pointed out that Humboldt County has the cleanest recycling he has ever seen with only 5% waste.

Mayor Wilson stated that he is intrigued with some of the innovative ideas ERD is coming up with and that it seems that Humboldt County is ahead of the game.

Rick commented that he sees a lot of recycling materials coming through the facility and it is hard to find as much as a cigarette butt.

The consensus of the Council was to bring the approval of a 10-year contract extension of the Franchise Agreement with ERD back to the Council on December 15, 2015 for consideration.

Rick Powell indicated that he would be available to return to the Council on December 15th.

Presentation from Redwood Coast Energy Authority/Approve Resolution No. 1279-2015 amending and restating Joint Powers Agreement of the Redwood Coast Energy Authority
City Manager Knopp provided a staff report and said approval of the resolution basically amends the RCEA JPA and allows RCEA to implement a Community Choice Aggregation (CCA) Program and establishes participation guidelines for the program.

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City Manager Knopp introduced Matthew Marshall, Executive Director of Redwood Coast Energy Authority (RCEA) who was present to talk about implementation of the Community Choice Aggregation (CCA) Program and amendment of the JPA.

He began by providing a written summary of the presentation he made to the Council on September 22, 2015 on the CCA Program related to delivery of electrical utilities. He then reviewed the first steps needed to launch the program and said upon approval of the amended and restated JPA any member agency will have the option to participate in the CCA Program.

Discussion ensued regarding miscellaneous provisions of the JPA.

Councilmember Thompson referred to Article 5.3 Indemnity and expressed concern about the City's potential liability as well as Article 5.6 Withdrawal which includes the provision that the withdrawing member shall continue to be financially responsible for its share of financial obligations and liabilities incurred prior to the effective date of withdrawal.

City Attorney Gans stated that his comments are identical to Councilmember Thompson's and said this language has not changed in the JPA and a member can only withdraw upon two-thirds (2/3) vote of the Board. He said a member could potentially incur significant liability. He said the Council should be mindful that should the City elect to withdraw from the JPA they will continue to be financially responsible for its share of financial obligations and liabilities incurred up to the effective date of withdrawal.

Matthew Marshall clarified that at this stage in implementation of the program; the Council is not agreeing to participate in the CCA program so if they choose not to buy into the CCA would not be assuming any liability. He said he would not expect the Council to agree to anything that would create adverse results or severe liability to the City.

City Attorney Gans asked if CCA would incur liability or RCEA.

Mr. Marshall said RCEA would basically incur any debt or liability.

City Attorney said that is what he wants the City to be careful of, especially if Rio Dell chooses not to participate in the CCA.

Mayor Wilson commented that the City's representative on the RCEA Board could essentially vote on something that could impact the City (and the same for other boards) so perhaps there needs to be a resolution which allows some oversight. He noted that essentially a representative could vote on something that he/she knows the other Councilmembers are against so there needs to be some sort of checks and balances.

Councilmember Thompson agreed that the City Council as the governing body should have input on issues before a representative votes on anything that impacts the City.

Melissa Marks commented that while on the City Council she served on various boards and often times they would go into closed session to discuss an issue and they couldn't talk about it outside closed session so it created problems.

Councilmember Thompson then referred to Article 5.8 Nuclear Free Certification and said this is an addition to the JPA because the County did not have a Nuclear Free Zone before and that he does not support this language.

Mr. Matthew explained that this section only applies to nuclear weapons and certifies that RCEA is not a nuclear weapons contractor and is not engaged in research, development, and production or testing of nuclear warheads or nuclear weapons systems.

Councilmember Johnson asked what would need to be done to get the language removed.

Mr. Marshall commented that he could bring the matter up with the Board.

Councilmember Thompson said he wanted to state his opposition for the record although he is already aware that the County will not sign any contract without this specific language included.

Councilmember Garnes asked if the City would be notified prior to the CCA approving something that would incur considerable debt.

Mr. Marshall said they would and also probably enters into a JPA to insulate the member cities from liability.

Mayor asked for clarification that the action tonight simply allows RCEA to proceed with establishing a CCA and does not obligate the City of Rio Dell to be included.

Mr. Marshall confirmed his assumption to be correct.

Motion was made by Garnes/Marks to approve Resolution No. 1279-2015 *Authorizing the City to Enter into an Amended and Restated Joint Powers Agreement Referred to as the Redwood Coast Energy Authority* and authorizing the Mayor to execute the JPA. Motion carried 5-0.

SPECIAL CALL ITEMS/COMMUNITY AFFAIRS

Contribution of Transient Occupancy Tax (TOT) to the Rio Dell/Scotia Chamber of Commerce
Finance Director Woodcox provided a staff report and said at the last meeting staff followed up on a request to Council for a percentage of Transient Occupancy Tax (TOT) to go to the Rio Dell/Scotia Chamber of Commerce. Nick Angeloff, President of the Chamber was not available to participate in the discussion and as such, the Council directed staff to bring the matter back

for further discussion with Mr. Angeloff present.

She pointed out that she believes the Chamber is a pillar in the community and she looked at this merely from a fundamental stand point and in doing so, staff's recommendation at this time is that the Council take no action towards contributing TOT revenue to the Chamber of Commerce in light of current serious budget constraints.

She reported that TOT is a general fund revenue source and averages around \$11,000/yr. which is approximately 1% of the general fund revenue. She said 60% of general fund revenue goes toward supporting the Police Department and that this year's budget when adopted included a budget deficit in the general fund. Also, the City contributes to the Rio Dell Fire Department and library from the general fund and that expenditure is expected to exceed \$5,000 for FY 2015-2016.

Staff said should the Council choose to authorize a contribution to the Chamber of Commerce, they would recommend a contractual agreement that outlines all stipulations in regard to TOT contributions.

Mayor Wilson asked if there had been any consideration to start a dialog with the fire department regarding the City's contribution to them in light of the sizable fire assessment that was approved.

City Manager Knopp said he would contact the Fire Chief and discuss the issue if that is the direction from the Council.

Nick Angeloff addressed the Council and said he would like to see the City contribute 25% of TOT revenue or \$2,700 to the Chamber which is typical. He said he doesn't want to see the Chamber go away but they need a stable source of income to operate. He added that he understands and respects the Finance Director for being fiscally prudent of the City's finances but doesn't feel \$2,700 outweighs a \$3 million budget.

Councilmember Johnson said he would like to see the Council table the matter for a month or two to allow time to address the fire department contribution then bring it back for further discussion and consideration perhaps in January. Council concurred.

ORDINANCES/SPECIAL RESOLUTIONS/PUBLIC HEARINGS

Approve Resolution No. 1278-2015 approving designation of Brooke Woodcox, Finance Director as the official representative and Karen Dunham, City Clerk alternate representative to the PACE JPA Board of Directors

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City Manager Knopp provided a brief staff report and said participation in the Public Agency Coalition Enterprise (PACE) Medical Benefits Program requires each member entity to be part of a Joint Powers Agreement (JPA) which outlines the purpose and participation requirements to become a member of the program. He said one of the requirements under the PACE JPA is that each member agency appoint a representative and alternate to the PACE JPA Board of Directors.

The resolution designates the Finance Director (Brooke Woodcox) as representative and the City Clerk (Karen Dunham) as alternate representative to the PACE JPA Board of Directors.

Motion was made by Garnes/Marks to approve Resolution No. 1278-2015 *Approving Designation of the Official Representative and Alternate Representative to the PACE JPA Board of Directors*. Motion carried 5-0.

Second reading (by title only) and adoption of Ordinance No. 339-2015 amending Section 2.60.030(4) of the Rio Dell Municipal Code (RDMC) changing the Planning Commission's regular meeting day from the fourth Thursday to the fourth Tuesday of the month

Community Development Director Caldwell provided a brief staff report and said that staff introduced Ordinance No. 339-2015 at the November 3, 2015 regular meeting amending Section 2.60.030(4) of the Rio Dell Municipal Code (RDMC) which will change the Planning Commission's regular meeting date from the fourth Thursday to the fourth Tuesday of the month to accommodate newly appointed Planning Commissioner Julie Woodall. He indicated that the decision to change the meeting date was unanimous among the other Planning Commissioners.

A public hearing was opened to receive public comment on the proposed ordinance.

There being no public comment, the public hearing closed.

Motion was made by Garnes/Thompson to conduct second reading (by title only) and adopt Ordinance No. 339-2015 amending Section 2.60.030(4) of the Rio Dell Municipal Code changing the Planning Commission's monthly regular meeting day from the fourth Thursday to the fourth Tuesday of the month and to direct the City Clerk, within 15 days after adoption of the Ordinance, to post an adoption summary of the Ordinance with the names of those City Council members voting for or against in at least three (3) public places and to post in the office of the City Clerk a certified copy of the full text of the adopted ordinance pursuant to the California Government Code. Motion carried 5-0.

Second reading (by title only) and adoption of Ordinance No. 340-2015 amending the "Definitions" provisions Chapter 17 of the Rio Dell Municipal Code (RDMC) to amend or eliminate some existing definitions and includes additional definitions

Community Development Director Caldwell provided a brief staff report and said staff introduced Ordinance No. 340-2015 at the November 3, 2015 regular meeting amending the "Definition" provisions, chapter 17.10 of the Rio Dell Municipal Code (RDMC) to amend some

existing definitions include additional definitions and eliminate some definitions.

Councilmember Garnes thanked staff for adding “*dog parks*” as a new use type to the Land Use Matrix.

A public hearing was opened to receive public comment on the proposed ordinance.

There being no public comment, the public hearing closed.

Motion was made by Garnes/Marks to conduct second reading (by title only) and adopt Ordinance No. 340-2015 amending the “Definitions” provisions, chapter 17 of the Rio Dell Municipal Code (RDMC) to amend some existing definitions, include additional definitions and eliminate some definitions, and to direct the City Clerk, within 15 days after adoption of the Ordinance, to post an adoption summary of the Ordinance with the names of those City Council members voting for or against in at least three (3) public places and to post in the office of the City Clerk a certified copy of the full text of the adopted ordinance pursuant to the California Government Code. Motion carried 5-0.

Second reading (by title only) and adoption of Ordinance No. 341-2015 amending Section 5.30.520(2) (a) of the Rio Dell Municipal Code (RDMC) related to the PEG fee paid by cable operator to support public access television

City Manager Knopp provided a staff report and said the ordinance was introduced at the November 3, 2015 regular meeting and is before the Council for its second reading and adoption at this time. He said the ordinance relates to the PEG fee paid by Suddenlink to support public access television and settlement agreement. He said since April 2014, Suddenlink has been operating under State Cable franchises in accordance with the Digital Infrastructure and Video Competition Act (DIVCA) and the local DIVCA ordinances for Humboldt County and local cities required payment of PEG access fees that equal 3% of the gross cable revenues. Suddenlink has only been paying 1% since May 2014 therefore; has not been in compliance with local DIVCA ordinances. He said the Settlement Agreement calls for the County/Cities to modify the section of their respective codes dealing with PEG fees from 3% to 1.401%. With this settlement, Suddenlink agrees to pay 1.401% of gross revenues on going including a \$64,000 settlement agreement to Access Humboldt as settlement for underpaid fees.

A public hearing was opened to receive public comment on the proposed ordinance.

There being no public comment, the public hearing closed.

Motion was made by Garnes/Johnson to conduct second reading (by title only) and adopt Ordinance No. 341-2015 amending Rio Dell Municipal Code Section 5.30.520(2) (a) and related authorization for the City Manager to sign the Settlement and Release Agreement with Suddenlink regarding PEG Access Funding, and to direct the City Clerk, within 15 days after adoption of the Ordinance, to post an adoption summary of the Ordinance with the names of

those City Council members voting for or against in at least three (3) public places and to post in the office of the City Clerk a certified copy of the full text of the adopted ordinance pursuant to the California Government Code. Motion carried 5-0.

REPORTS/STAFF COMMUNICATIONS

City Manager Knopp distributed a written staff report on recent activities and events and said with the departure of Jesse Willor from GHD, the City had to change its representative on the HCAOG Technical Advisory Committee (TAC). As such, Mr. David Caisse, PE of GHD was appointed to serve for the City in this capacity.

He also reported that he has been working with High Rock Conservation Corp and Cal Fire to begin vegetation removal projects at various locations throughout the City and said the first priority is to address some of the overgrown vegetation at Northwestern Ave. Other project areas include the Painter St. gulch at May Ave., the area above the water infiltration gallery, and at the end of Davis St. and Edwards Dr. to improve access to the river. He said the estimated cost to the City is less than \$5,000.

Councilmember Thompson expressed concern that much of the area around the Painter St. gulch is private property.

City Manager Knopp explained that they will only be clearing the pathway.

He announced the Cannabis Workshop tentatively scheduled for December 3, 2015 has been rescheduled for December 10, 2015 at the Monument Middle School beginning at 5:30 p.m.

He stated that he received a couple of emails regarding this winter's El Nino and it is predicted that it could rank among the top three strongest events. As such, he said staff will be brushing up on flood procedures to be better prepared.

Finance Director Woodcox provided a report of recent activities in the finance department and said she will be bringing forward at the December 15, 2015 regular meeting year-end information on the FY 2014-2015 budget as well as the quarterly reports for the first quarter of the current year.

COUNCIL REPORTS/COMMUNICATIONS

Councilmember Johnson reported that he attended a Last Chance Grade Stakeholders meeting in Crescent City and said Caltrans had revised a couple of plans and decreased the quantity of excavation from approximately 20 million yards down to approximately 8 million yards and also backed off on the idea of having bridges at every gulch and now putting in fill. He said the combination of these two things represents a savings of approximately \$100 million. He added that there will probably not be a lot of progress until June because of the funding cycle Caltrans

NOVEMBER 17, 2015 MINUTES
Page 14

is in. He noted that the next work is preparation of the environmental document to allow for on-site drilling and said that drilling is going to require helicopters etc. to get the crews in so it will be very expensive. He expected there will not be a lot to report over the next six months.

He also reported that he, Councilmember Garnes, Councilmember Thompson and the City Manager attended a conference in Eureka on the legal use of medical marijuana and said to sum it up cities have until March, 2016 to come up with local ordinances or it falls back on the State's regulations. He stated that from what he remembers, he believes the City's Ordinance covers most of the issues.

Community Development Director Caldwell clarified that the State regulations are related to commercial medical cannabis production; what the City has on the books currently is related to personal medical marijuana and unless the City Council provides staff direction to draft an ordinance for commercial production of medical marijuana, staff hadn't planned on drafting an ordinance on that matter.

City Manager Knopp said he hadn't had the opportunity to sit down with staff to discuss it but the City may technically be covered under the current ordinance.

Councilmember Johnson stated that after the LAFco meeting tomorrow he will be stopping by Whitchurch Engineering and talking about the Belleview/Ogle Drainage Study and that they believe they have answers to the technical questions he asked at the November 3, 2015 meeting when they gave their presentation.

Councilmember Garnes reported on the upcoming Cannabis Workshop on December 10th and said she has arranged to have six (6) guest speakers to provide information and answer questions of the City Council and the public.

ADJOURNMENT

Motion was made by Johnson/Thompson to adjourn the meeting at 9:05 p.m. to the December 1, 2015 regular meeting. Motion carried 5-0.

Frank Wilson, Mayor

Attest:

Karen Dunham, City Clerk

**RIO DELL CITY COUNCIL
REGULAR MEETING
DECEMBER 1, 2015
MINUTES**

The regular meeting of the Rio Dell City Council was called to order at 6:30 p.m. by Mayor Wilson.

ROLL CALL: Present: Mayor Wilson, Mayor Pro Tem Johnson, Councilmembers
Garnes, Marks and Thompson

Others Present: City Manager Knopp, Finance Director Woodcox,
Water/Roadways Superintendent Jensen, City Attorney Gans and
City Clerk Dunham

Absent: Chief of Police Hill, Community Development Director Caldwell,
and Wastewater Superintendent Chicora (excused)

PUBLIC PRESENTATIONS

Nick Angelo addressed the Council as Chamber of Commerce President and announced the dates for the upcoming Christmas festivities and said the annual tree lighting will take place on December 5, 2015 beginning at 5:00 p.m. with Santa arriving around 6:00 or 6:30 p.m., the tree lighting at 6:00 p.m. and thanked the Rio Dell Fire Department for their generous donation of the tree; and said the Rio Dell Baptist Church choir will be singing Christmas carols. On December 12th Jerry Rhody will give an historic presentation from his perspective of someone coming in over Highway 36 for the holidays which will take place at the at the Chamber of Commerce office; and on December 20th a movie will be presented at the WinemaTheater, *Santa Versus the Martians*.

SPECIAL PRESENTATIONS/STUDY SESSIONS

Public Hearing on Proposed Water Rate Increase Pursuant to Proposition 218 including tabulation of protest ballots and possible adoption of Resolution No. 1281-2015 Establishing Water Rates and Charges

City Manager Knopp began by announcing if there was anyone who would like to fill out a protest ballot and had not already done so, had until the close of the public hearing to complete it and submit it to the City Clerk. At the other end of the spectrum, he noted that withdrawal forms were also available for anyone who wished to withdraw their protest ballot.

He continued by providing a power point presentation on the proposed water rate increase beginning with water rate history; water rate timeline, protest tabulation rules, and majority protest provisions pursuant to Proposition 218.

He announced that the Mayor will be opening the public hearing to receive public comment on the proposed water rate increase and asked that public speakers not be redundant with their

DECEMBER 1, 2015 MINUTES
Page 3

The City Clerk along with four additional staff began the tabulation process.

Mayor Wilson asked the City Manager to review the options for the Prop 218 public hearing process.

City Manager Knopp reported that staff has approximately 700 envelopes to tabulate and assuming each one takes 30 seconds to tabulate it will take from 5-7 hours to complete the tabulation process. That being said, if it gets late and the City Council decides to continue the meeting to the next day to complete the tabulation they can do that provided the time and location is identified. He noted that staff is however; geared up to complete the tabulation tonight and make an announcement of the results.

He said the Council does need to be present and maintain a quorum throughout the proceedings but if the Council decides to adjourn the meeting and continue it to the next day, it is at their discretion.

Mayor Wilson stated that a lot depends on the public and how long they want to stay. He noted the tabulation must be public but they will know in a couple of hours how the process is moving along and the decision can be made at that time.

At approximately 10:00 p.m. Mayor Wilson called for a brief recess. The meeting resumed and three of the five staff members proceeded with the tabulation of ballots.

At approximately 12:40 a.m. City Clerk Dunham announced that at this point in time, 539 ballots had been verified as valid protests. She said 580 protests are needed for it not to pass however; with 25 ballots left to verify, even if all of those 25 are deemed valid the final count would only be 564.

She asked for direction from the Council to declare the tabulation final, continue with the tabulation or continue the count to the next day.

Mayor Wilson asked the City Clerk how long she estimated it would take to complete the tabulation of the last 25 ballots and what the percentage was for invalid ballots.

She responded that the last 25 ballots were ones that needed additional research in order to verify so was uncertain how long it would take; she estimated 10 of the 25 ballots to be invalid based on a cursory review.

Councilmember Thompson stated that he saw no reason to continue with the tabulation and suggested the Council proceed with action on the proposed resolution adopting the water rates.

City Clerk Dunham stated that staff is also going to prepare a Master Parcel List identifying each parcel subject to the new fee and also representing any protest vote for that parcel which will

DECEMBER 1, 2015 MINUTES
Page 4

become a public document. The question is whether the Council wants staff to complete the verification of the last 25 ballots at this late hour or continue the meeting to complete the tabulation.

Councilmember Garnes stated that no matter what, every ballot needs to be counted so if the tabulation is declared complete at this time, the remaining 25 ballots need to be counted as valid protest votes.

Councilmember Johnson stated he would be prepared to move to continue the meeting to 9:00 a.m.

Mayor Wilson commented that the action on the Resolution would then need to be placed on the December 15, 2015 regular meeting agenda because the Council cannot take action on a resolution at a special meeting.

Staff clarified that it would be a continued meeting rather than a special meeting.

Discussion continued regarding a legal opinion on what actions can be taken at a continued meeting in which Mayor Wilson declared that he will not vote on the resolution without clarification by legal counsel or without giving the public ample opportunity to be present.

At this point, the City Clerk announced for the sake of argument, that staff was prepared to precede with verification of the remaining protest ballots and complete the tabulation.

The Council concurred and directed staff to continue with the final tabulation.

Mayor Wilson suggested staff complete the tabulation then give the Council and the public the opportunity to ask more questions before voting on the rate resolution.

Linda Bartlett who was the only member of the public still present had stated earlier that she had questions regarding the protest withdrawal ballot that was sent out by the City including the cost of supplies and postage.

Mayor Wilson stated that he also had questions about the same thing.

At 1:15 a.m. Councilmember Thompson stated that he was not willing to participate in any further discussion as the public hearing was closed. He then excused himself and left the meeting.

At 1:23 a.m. City Clerk Dunham announced the tabulation was complete with the final number of valid protest votes reported at 555, declaring the number to be insufficient to constitute a majority protest.

DECEMBER 1, 2015 MINUTES
Page 5

Motion was made by Johnson/Garnes to adopt Resolution No. 1281-2015 *Establishing Water Fees and charges for Water Customers Pursuant to Rio Dell Municipal Code 13.05*. Motion carried 4-0.

ADJOURNMENT

Motion was made by Johnson/Thompson to adjourn the meeting at 1:25 a.m. to the December 15, 2015 regular meeting. Motion carried 4-0.

Frank Wilson, Mayor

Attest:

Karen Dunham, City Clerk

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E-mail: cm@riodellcity.com



**CITY OF RIO DELL
STAFF REPORT
CITY COUNCIL AGENDA
December 15, 2015**

TO: Mayor and Members of the City Council

THROUGH: Kyle Knopp, City Manager

FROM: Brooke Woodcox, Finance Director *BW*

DATE: December 15, 2015

SUBJECT: **First quarter report and presentation for the 2015-2016 fiscal year**

Recommendation

Receive staff's report and presentation, and discuss items related to the City of Rio Dell's financial position as of September 30, 2015

Background and Discussion

Staff has developed a new format for quarterly reporting that has been created for the purpose of providing a full comprehension of the City's financial position. The new format is also meant to convey complete transparency. The first quarter's report is for informational purposes and forecasts potential budgetary issues which, if still identified at mid-year, will be brought back to Council's attention for further consideration. The overall intent is to keep Council members aware of the financial state of the City, and bring to light any matters that affect the financial progression of the 2015-2016 adopted budget.

Issues identified at September 30, 2015 are as follows:

- The water funds financial information show that the loan payment of \$65,400 from the water funds back to the general fund for well project costs is anticipated to be paid at mid-year

- The police department budget is above the quarterly 25% benchmark at 26%, and is anticipated to further go over appropriated expenditures by mid-year possibly requiring a budget amendment
- The general government department budget has exceeded appropriations (31%) and may require a budget adjustment
- Measure Z was not included in the 2015-2016 adopted budget and a budget amendment will be necessary at mid-year

There are no other forecasted items to report for the first quarter ended September 30, 2015.

Attachments

Fiscal Year 2015-2016 Quarterly Financial Report – Q1

QUARTERLY FINANCIAL REPORT

SEPTEMBER 30, 2015

FIRST QUARTER 2015-2016



City Management is pleased to present this quarterly financial report summarizing the City's overall financial activity and position through September 30, 2015. This financial information is unaudited. For audited information, or to find greater detail, please refer to the audited financial statements. Statements are generally released in the early part of the calendar year.

SUMMARY

City-wide across all funds revenues are at 19% of budget and appropriations are below the quarterly benchmark of 25%. The City is currently at 21%. Revenues generally won't hit quarterly benchmarks until the second quarter due in part to the general fund's lag in collection times where revenues get recorded when received. This is known as the modified accrual basis of accounting, which is a fundamental principle of governmental fund accounting where revenues become available and are recorded when received and expenditures are paid when invoiced. All revenues and expenditures will be captured at year end.

At the end of the first quarter there aren't any indications of **major** budgetary changes in revenues and expenditures in the months ahead. Staff will come back at mid-year to present any budget adjustments, and to highlight any

matters that impact the financial progression of the FY 2015-2016 Capital and Operating Budget as adopted by Council through Resolution 1267-2015 on June 16, 2015.

ADJUSTED BUDGETS AND REVENUE ESTIMATES. The revenue projections and budget expenditures presented herein include any budget adjustments approved by the City Council.

GENERAL FUND FINANCIAL CONDITION. The City's general fund is its primary source of discretionary resources for the provision of services deemed necessary and appropriate by the citizens of Rio Dell and the City Council.

OVERVIEW

The general fund had a fund balance of \$826,566 at the end of the first quarter for the 2015-2016 fiscal year. The fund balance appears lower than anticipated because the City's proportionate share of revenues weren't received as of September 30, 2015. \$33,108 in revenues were received and available with nearly half of general fund revenues expected to be received and recorded in the second or third quarter.

Still outstanding in the general fund is a receivable from the water capital fund of \$65,400 for Metropolitan well development. This item will be brought to Council's attention again with the completion of the 2014-2015 Audited Financial Statements. It is anticipated that the water funds will be able to repay the general fund in the current fiscal year.

GENERAL FUND REVENUES

TOP 5 REVENUES. The City's top five budgeted revenue sources in the general fund account for approximately 84% of total general fund income. These are Vehicle License Fees in-lieu (VLF), Measure U, Retail Sales Tax, Property Tax, and Franchise Cable TV fees. The total budgeted amount for these five revenue sources is

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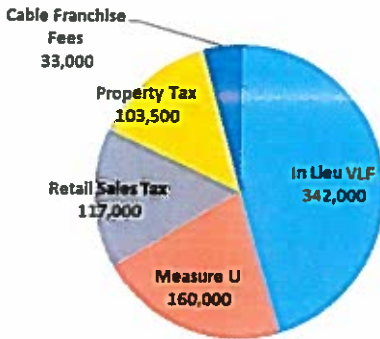
QUARTERLY FINANCIAL REPORT

SEPTEMBER 30, 2015

FIRST QUARTER 2015-2016

\$755,500. To date receipts total \$18,700. The small amount (2%) reported at the end of the first quarter is due to the modified accrual basis of accounting where the receipt of revenues will be recorded in the second or third quarter.

GENERAL FUND TOP 5 REVENUES



Property tax (\$103,500). Humboldt County cities receive 2.9% of all property tax revenues collected by the County. This is further divided between the cities of Arcata, Blue Lake, Eureka, Ferndale, Fortuna, Rio Dell, and Trinidad. The City of Rio Dell receives approximately 3% of the total amount allocated to cities.

In Lieu Vehicle License Fees (VLF) (\$342,000). These are property tax shares allocated to cities and counties beginning in FY 04-05 as compensation for the state's reallocation of vehicle license fees. VLF is the City's largest source of revenues for FY 2015-16. The City's receipt of VLF revenues won't be reflected until the second or third quarter.

Sales Tax. The City collects sales tax from two sources: the normal Bradley Burns sales tax, which is shared between City, County, and State, and a 1% sales and use tax that is referred to as Measure U. Both taxes are general taxes and can be used for any regular general governmental purpose.

Retail sales tax (\$117,000) has seen continual declines for several years. The decline in sales tax revenue from 2006 to current is due to various factors that include the shift in consumer behavior from purchases of goods to purchases for services, on-line

purchases, and the change in population demographics.

Measure U (\$160,000) is a new revenue source for the City, having met the City's expectation of \$44,000 for the last quarter of FY 2014-15. A pattern of this revenue source hasn't been established and will be better determined after a year of receipts has been received.

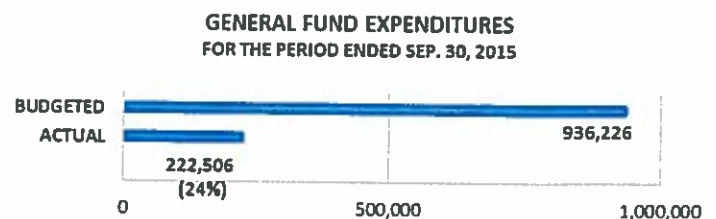
Franchise Fees (\$33,000). The 2015-16 budget shows cable franchise fees as the fifth largest revenue stream for the general fund estimated at \$33,000. Other franchise fees include revenues paid by cable, garbage, and PG&E. The City receives these revenues quarterly, again with payments lagging behind the quarterly reporting process.

Despite that actual general fund revenues received are only 4% of budget at the end of the quarter, staff isn't aware of any indicators that show significant differences between adopted budgeted revenues and actual revenues received.

General fund revenues will be reevaluated after the receipt of the first payment of property taxes and VLF funds have been received.

GENERAL FUND EXPENDITURES

EXPENDITURES TO DATE. Total budgeted expenditures for the 2015-2016 fiscal year in the general fund are \$936,226. For the first quarter total expenditures show \$222,506 as being spent, which is 24% of appropriations for the general fund. The general fund is on track for appropriated expenditures.



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QUARTERLY FINANCIAL REPORT

SEPTEMBER 30, 2015

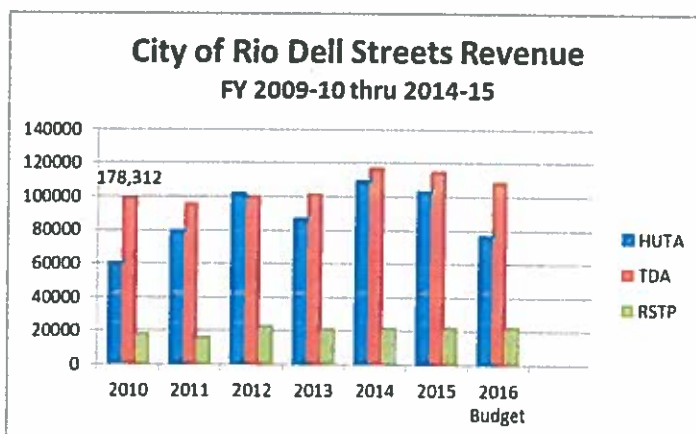
FIRST QUARTER 2015-2016

TOP 5 EXPENDITURES. The top 5 expenditures budgeted in the general fund are full-time salaries, health insurance, employee retirement 457 plan, contract/professional services, and engineering costs totaling \$564,362. This amount accounts for 65% of total general fund appropriations. For the first quarter these five expenditures total \$130,998, or 15% of appropriations spent.

STREETS FUNDS

For FY 2015-2016 Rio Dell's streets revenues are budgeted at \$206,765. Revenues for the City's streets funds come from the Highway User's Tax Account (HUTA \$76,820), Transportation Development Act (TDA \$108,945), and Regional Surface Transportation Program (RSTP \$21,000).

Overall, actual revenues received beginning in 2010 to 2014 in the streets funds have increased 35% having gone from \$178,312 in FY 2009-10 to a high of \$241,040 in FY 2013-14. The current budgeted revenue in comparison to last year's budgeted revenue is 18% less based on estimates from the State of California. The State predicts a decline in HUTA revenues due in large part to decreased fuel sales influenced by technological advances that have increased fuel efficiencies. In short, consumers are spending less on fuels.



The chart above shows that the City's receipt of actual streets revenues received from FY 2010 to 2014 was increasing. However, revenues appear to have peaked in 2013-2014 and

have since declined. Moreover, the state is estimating that HUTA revenues will continue to decline. The decline in HUTA revenue is shown in the City's conservative budget estimate handed down from the State at \$76,820 (FY 2015-2016).

The State of California has recognized that the trend of decreasing fuel revenues will continue. This further burdens state and local government's financial capacity to maintain and repair streets and roads. As a remedy the State has introduced additional California transportation funding which is proposed to generate \$3.6 billion. The proposal includes an estimated \$1 billion a year from an \$0.11 excise tax on diesel and an increase in the gasoline tax by the consumer price index (CPI). Another \$2 billion is proposed through a \$65 per vehicle highway user fee.¹ The proposed allocation for Rio Dell is estimated to be \$54,156 annually.

STREETS FUNDS

Budget Variance

For the period ended September 30, 2015

	9/30/2015	Budget	%
REVENUES			
Gas Tax Fund (HUTA)	22,493	76,820	29%
TDA Fund	-	108,945	0%
RSTP Revenue	22,572	22,572	100%
TOTAL REVENUE	45,065	208,337	
EXPENDITURES			
Public Works	58,935	229,791	26%
General Governmen	10,675	50,487	21%
Contingency Item	-	9,765	0%
TOTAL EXPENDITURES	69,610	290,043	
Revenue over (under)			
expenditures	(24,545)	(81,706)	

Appropriated expenditures for the streets funds for all departments for FY 2015-16 is \$290,043. City-wide streets expenditures are at 24% as of September 30, 2015 and revenues are at 22%. Streets funds are governmental funds, and the modified basis of accounting principle applies. All revenue and expenditures will be captured at year end.

CITY OF RIO DELL

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QUARTERLY FINANCIAL REPORT

SEPTEMBER 30, 2015

FIRST QUARTER 2015-2016

DEPARTMENTAL EXPENDITURES

The City of Rio Dell Operating and Capital Projects budget is maintained at the departmental level. As of September 30, 2015 departments are reporting expenditures in line with expected budget appropriations for this time of year with the following exceptions:

Police Department spending is up at 26%, whereas the majority for other departments is under the benchmark of 25%. The additional PD expenditures were incurred in large part for legal and professional services. The police department has hired two new officers, whose training requires more than one officer at a time on duty. This will impact the police department's budget further and staff will report back at mid-year if a budget adjustment will be necessary.

The General Government department was reactivated in order to account for the Community Development Director's salary and miscellaneous costs associated with that position and activities tied specifically to the general fund. General Government departmental spending is at 31%.

EXPENDITURES BY MAJOR CATEGORY

A breakdown of departmental budgets (see chart below) at the object line item level shows that City-wide salaries and benefits are at 23% of appropriations. Operational costs are reflected at 18% of appropriations. This broad picture of City-wide expenditures shows a positive correlation between budget variances (<25%) and the first quarter of the fiscal year.

Expenditures by Major Category	Budget	YTD Actual	Percent
Salaries and benefits	1,503,031	352,949	23%
Operations/Activities	1,306,262	241,486	18%
Reconciliation to expendit.	2,809,293	594,435	21%

City-wide departmental expenditures (general fund, special revenue funds, building, water, and sewer) shown in the following chart have been spent at 21% of appropriations. Public works, the City's largest department with a budget of \$1.128 million is made up of sewer, water, streets, and buildings and grounds. As a whole, public works shows 19% of budgeted expenditures spent.

Expenditures	Budget	YTD Actual	%
DEPT. EXPENDITURES			
City Manager	284,595	56,041	20%
Finance	363,719	85,192	23%
City Council	13,298	3,351	25%
Police Department	623,842	160,619	26%
General Government	33,193	10,435	31%
Public Works	1,128,207	218,509	19%
Sewer	461,698	95,828	21%
Water	366,582	62,285	17%
Streets	229,791	44,169	19%
Buildings & Grounds	70,136	16,227	23%
Building	50,365	9,309	18%
Planning	65,100	13,254	20%
Total Dept. Expenditures	2,562,319	556,710	
ACTIVITY EXPENDITURES			
Admin Car	1,200	131	11%
Recycling	10,854	290	3%
Capital Projects	234,920	37,304	16%
Total Activity Expenditures	246,974	37,725	
Total City-Wide	2,809,293	594,435	21%

ENTERPRISE FUNDS

Enterprise funds are used for activities that are similar to private business. They are self-supporting meaning the activity's costs are recouped through user fees and charges. The pricing policies of enterprise funds establish fees and charges designed to recover costs only, including capital costs (such as depreciation or debt service). Enterprise fund accounting is like that of the private business sector using the **full accrual basis** of accounting.

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QUARTERLY FINANCIAL REPORT

SEPTEMBER 30, 2015

FIRST QUARTER 2015-2016

The City provides three enterprise services: building, water and sewer. Water and sewer are major funds and these funds need to collect sufficient revenues to finance costs associated with administration, operations, capital improvements (CIP) and debt service. The building fund to date has not fulfilled this requirement, and the water funds have operated in a deficit for the past four fiscal years.

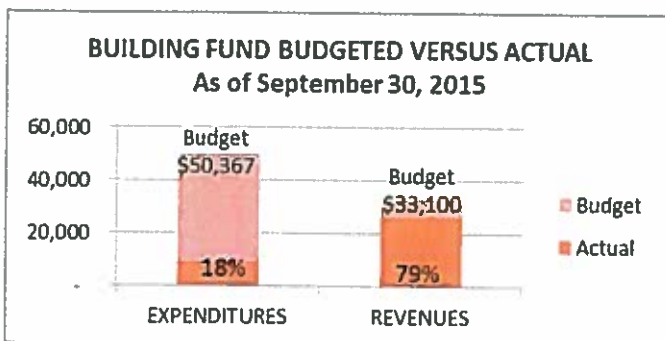
Enterprise fund financial data holds important information regarding working capital which is the difference between current financial assets and current liabilities. Working capital is the approximate reserves, or the resources available to meet ongoing operating, debt service, and capital activities in the near term.

Non-cash expenses, such as depreciation information, are not shown in the water funds and sewer funds for this report such is required by Generally Accepted Accounting Principles (GAAP). Instead, the following information is a budgetary based outlook for the first quarter. Depreciation will be applied at year end to give a fuller financial picture that reflects all assets, liabilities, and fund balance in accordance with GAAP.

BUILDING FUND

The building fund was created because building activities can be presumed to be a self-supporting activity; however since its inception in April 2014 the building fund has not been a full enterprise fund in the sense that it receives general fund subsidies, a governmental fund source.

Budgeted revenues for the building fund total \$33,100 and appropriations are \$50,367. The building fund is subsidized by the general fund for a total of \$17,265.



Revenues have come in strong at 79% (\$26,308) of budgeted amounts at the close of the first quarter, with expenditures at 18% (\$9,309). Salaries and benefits are at 22% of total appropriations while services and supplies are at 12%.

WATER ENTERPRISE

Water revenues for the first quarter are up 12% in comparison to last year. The increase is due to higher water consumption one year after the water curtailment was lifted by the State Water Resources Control Board. The increase is also due to an annual 3% increase in water rates. This year's water operations budget was adopted with 24% of appropriations coming out of reserves.

WATER ENTERPRISE Operations, Debt Service, and Capital			
WATER Revenue, Expenditures, and Changes in Working Capital For the period ended September 30, 2015			
	9/30/2015	9/30/2014	%
REVENUES			
OPERATING	130,085	115,970	12%
NON-OPERATING			
Debt Service	47,620	43,681	9%
Capital	17,506	16,326	7%
TOTAL REVENUE	195,212	175,977	11%
EXPENDITURES			
OPERATING			
Public Works	62,286	57,959	7%
General Government	57,372	67,641	-15%
Total operating expenditures	119,658	125,600	-5%
NON-OPERATING			
Debt Service	68,392	68,000	1%
Capital Projects	5,182	8,659	-40%
Total non-operating expenditures	73,574	76,659	-4%
TOTAL EXPENDITURES	193,232	202,259	
Revenue over (under) expenditure	1,980	(26,282)	
Working Capital	218,219	280,152	-22%

CITY OF RIO DELL

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QUARTERLY FINANCIAL REPORT

SEPTEMBER 30, 2015

FIRST QUARTER 2015-2016

Operating expenditures in the water funds are down 5% from the prior year. Last fiscal year there was an overall decline in expenditures related to unspent appropriations, but largely was due to the well project that the City is currently involved. Prop 84 funding absorbed \$192,000 in water fund expenses in FY 2014-15. This comes as a relief to the water funds where projections for June 30, 2016 show fund balances at zero.

The positive implication here is an increase in working capital. Working capital is the current funds available to meet operations, debt service, and capital repairs and maintenance in the near term, which has been increased with the well project funding absorption of costs.

The water funds are liable to the general fund for \$65,400, and the well project will need an additional \$57,000 in order to gain access to the City's second source of funding through the USDA ECWAG grant. These two items have a negative impact of \$121,500 on the working capital balance. These items will be readdressed once the City's 2014-2015 Financial Statement Audit is completed.

The water funds will see an increase in revenues with the adoption of the new rates beginning in January 2016. The new rates will halt the decline in revenues that had caused significant underfunding in the water funds over the past four years.

SEWER ENTERPRISE

In July of 2014 the sewer rate structure underwent significant changes. The City moved from a single rate to a consumption based rate that provides for the differences in the amount of water that customers send to the wastewater treatment plant. Revenues were set up to meet expenditures for operating, debt service, and capital.

This year sewer enterprise revenues are up 3% from last year. This coincides with the 3% annual increase that occurs each July 1. Operating expenses also show a 3% increase from the same time period as last year.

Debt service payments show a significant decrease in comparison to last year (shown below); however this was

due to a timing difference, and ultimately the amounts will be similar. By mid-year the difference will be completely negated.

SEWER ENTERPRISE		
Operations, Assessment, Debt Service, and Capital		
SEWER		
Revenue, Expenditures, and Changes in Working Capital		
For the period ended September 30, 2015		
	9/30/2015	9/30/2014
REVENUES		
OPERATING	184,005	177,058
NON-OPERATING		
Debt Service	87,323	87,632
Capital	47,256	45,320
TOTAL REVENUE	318,584	310,010
EXPENDITURES		
OPERATING		
Public Works	95,807	94,965
General Government	48,665	45,024
Total operating expenditures	144,472	139,989
NON-OPERATING		
Sewer Assessment	27,750	-
Debt Service	538	270,877
Capital Projects	10,733	6,361
Total non-operating expenditures	39,021	277,238
TOTAL EXPENDITURES	183,493	417,227
Revenue over (under) expenditures	135,091	(107,217)
Working Capital	1,475,871	1,253,386

The sewer funds have a restricted reserve of \$302,899 that fulfills the City's obligation of setting aside one annual payment for the life of the wastewater treatment plant loan according to the terms of the SWRCB funding agreement. The restricted reserve funds will be used for the final loan payment due in 2043.

CITY OF RIO DELL

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QUARTERLY FINANCIAL REPORT

SEPTEMBER 30, 2015

FIRST QUARTER 2015-2016

OTHER INFORMATION

MEASURE Z

Measure Z funds of \$35,569 were granted to the City for FY 2015-2016 and staff determined that the most efficient way to utilize these funds and alleviate the water fund, sewer fund, and general fund was to use available staff to fill a part-time administrative position in the police department. This position is responsible for administrative assistance which allows police officers to remain in the field (as opposed to the office). The position is also responsible for code enforcement duties.

Two employees from the finance department were reassigned to the position three days per week and as of September 30, 2015 reimbursable wages through Measure Z totaled \$9,086. Staff will report back at mid-year the six months' savings to the specific funds.

Measure Z funding will require a budget amendment, since this item was not included in the adopted 2015-2016 fiscal year budget.

ACCOUNTING PRINCIPLES

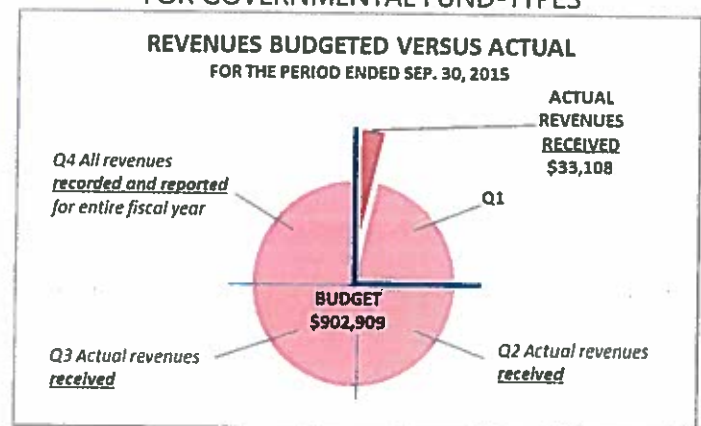
The modified accrual basis of accounting in the governmental funds uses a financial resources measurement focus, meaning these fund types use available *financial* resources to meet current activities. In contrast, enterprise funds such as sewer and water use the economic measurement focus, where revenues are recorded when earned regardless of actual receipt (i.e. accounts receivable), and liabilities are recorded within the period when incurred.

Enterprise funds (water and sewer) utilize the *economic* focus. To compare enterprise funds to governmental fund types, governmental funds (general fund, streets, etc.) are mainly concerned with *available and spendable resources*, while enterprise funds fully accrue assets and liabilities within the period that these are *collectible and due*. Moreover, enterprise funds utilize the matching principle; that is, revenue *earned* in one period is *matched* to the

expenses that it took to earn that revenue. Governmental funds only accrued receivables and outstanding payables at year end as required by governmental auditing standards and generally accepted accounting principles (GAAP).

The chart below is meant as a visual aid showing the modified accrual basis of accounting principle, which is used in governmental funds. Theoretically, actual revenue collections are recorded when received (available) and expenditures are paid upon invoice receipt. All revenue and expenditures for an entire fiscal year are then recorded and reported at year end.

MODIFIED ACCRUAL BASIS OF ACCOUNTING FOR GOVERNMENTAL FUND-TYPES



¹ Governor's proposed transportation package californiacityfinance.com (11/20/15)

For More Information. This report is prepared by the City's Finance Department and is a summary based on detailed information produced by its financial management system. If you would like additional information, or have questions about this report, please call the Finance Department at 707.762.3532.

CITY OF RIO DELL

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December 15, 2015

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager

SUBJECT: Discussion and Possible Action on Negotiation of a Contract Extension with Eel River Disposal for Solid Waste and Recycling Franchise Services.

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Authorize the City Manager and/or his designee to negotiate a sole source contract with Eel River Disposal for Solid Waste and Recycling franchise services.

BACKGROUND AND DISCUSSION

The City of Rio Dell oversees solid waste handling in the City, including recycling, green waste and other materials. Currently the City holds a franchise agreement with Eel River Disposal (ERD) to handle solid waste and recyclable materials, in addition to an agreement related to green waste services. The Current agreement for solid waste and recycling materials became effective on January 1, 2007 and expires December 31, 2016.

The City has had a long-term relationship with ERD that has generally been regarded as a positive one. The City receives relatively few complaints regarding services provided by ERD and the company has been responsive to requests from the City. The City is also a member of the Humboldt Waste Management Authority, and ERD has acted in good faith to adjust its processes to accommodate changes made by the Authority related to the transportation and disposal of waste. This level of collaboration between HWMA, ERD and the City has saved ratepayers from increased and unnecessary trucking fees to various California and Oregon landfills. More recently, ERD has begun compensating the City for recyclable materials at \$10.00 per ton, creating a small but new revenue source into the City. Additionally, ERD was responsive to a contract review process with the City Manager and made a presentation in front of the City Council on November 17, 2015.

The impending contract termination date of December 31, 2016 is coming up fast. The City will need to secure collection services before this date in order to maintain continuity and minimize disruption. California Public Resources Code 40059 allows cities a high degree of flexibility and autonomy to choose a solid waste services provider. This includes the ability to negotiate a sole-source contract with Eel River Disposal. Alternatively, the City can also issue a Request for Proposal (RFP) from other potential providers and select the lowest bid.

Potential responders to an RFP include Eel River Disposal, Recology Humboldt, Arcata Garbage Co., Humboldt Sanitation, Blue Lake Garbage Co., and Solid Waste of Willits. RFP processes can take substantial time and monetary investment from the City. An expedited timeline for such a process would be 6 months, however many variables could extend that timeline significantly. Therefore it is important that work to pursue a RFP be undertaken in January and that the Council prioritize this work.

A major advantage that our current franchisee possesses is the relatively close proximity of a transfer station on Riverwalk Drive in Fortuna, only 8 miles via Highway 101. The next closest facility is over three times the distance at 25.9 miles to Hawthorne Street in Eureka. ERD's short transportation advantage directly lowers the per-ton cost to Rio Dell ratepayers by approximately 8%.

Based upon this information and the past record of good performance and responsiveness, staff is recommending that the Council authorize the City Manager to begin negotiations for another contract with Eel River Disposal. City Code Section 8.05.110 allows the city to do so under such terms and conditions prescribed by the City Council via resolution.

Staff would return to the Council prior to commencement of sole source negotiations to get input on the overall priorities the Council would like to see included in an extension. Particular attention will be paid to the evolving legislative and regulatory requirements being placed on the community. Staff would then work with representatives of Eel River Disposal, in good faith, to establish a new proposed agreement. This proposal would then require presentation before, and approval of the City Council via Resolution in the future.

///



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December 15, 2015

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager

SUBJECT: Discussion and Possible Action Regarding Fire Department Water and Sewer Billing

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Provide direction to staff.

BACKGROUND AND DISCUSSION

At its November 17, 2015 meeting, the City Council requested the City Manager approach the Fire Department and request that the department begin paying its water bill associated with the department's fire hall.

Staff will provide a brief report on the current status of this issue. Attached is a spreadsheet listing general fund payments for Fire Department water and sewer bills since August of 2014, when the payments began.


///

675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532



For Meeting of: December 15, 2015

To: City Council

From: Kevin Caldwell, Community Development Director 

Through: Kyle Knopp, City Manager

Date: December 10, 2015

Subject: Wildwood Avenue Sculpture Pedestals

Recommendation:

That the City Council:

1. Direct staff to contact LaBodega Furniture Store in Willits and other potential sources regarding the price and availability of sculptures, including contacting the Wiyot Tribe and inquire if they would be interested in commissioning a sculpture reflecting their history and heritage; and/or
2. Direct staff to once again contact the local arts community and conduct public outreach in an attempt to encourage a local artist to display their work; or
3. Take no action.

Background and Discussion

As the Council is aware the City had two sculpture pedestals installed as part of the Wildwood Avenue enhancement project. Unfortunately, it's been difficult to attract artist's to display their artwork. We were lucky enough to have Ferndale artist Jim Davis display his work "Jumping Salmon" for about a year and a half. Mr. Davis recently removed his piece.

Staff has noticed that the LaBodega Furniture Store in Willits has on display fairly large metal sculptures including horses, gargoyles, alligators and deer.

Staff recently spoke to the Manager of the store and the sculptures are fairly reasonable in price. The large sculptures generally range in price from \$800 to \$1,000. Staff indicated to the Manager that we could be interested in sculptures of redwood trees, lumberjacks, salmon and steelhead. He indicated that if we were truly interested he would



contact his supplier and find out if those types of sculptures could be made and what the cost



would be. Staff informed the Manager that we would check with the City Council to see if they would be interested.

Staff could also research other potential sources of sculptures and statues associated with the history and the natural resources of our local area.

Another option would be contacting the local Wiyot Tribe to inquire if they would be interested in commissioning a sculpture reflecting their history and heritage. As the Council is aware, Rio Dell is within the lands that the Wiyot people lived for thousands of years.

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December 15, 2015

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager

SUBJECT: Discussion and Possible Action Authorizing Resolution No. 1283-2015 and Resolution No. 1284-2015 Consenting to Inclusion of the City of Rio Dell Properties in the California Home Finance Authority PACE Programs and Associated Membership in California Home Finance Authority

IT IS RECOMMENDED THAT THE CITY COUNCIL:

1. Review and adopt Resolution No. 1283-2015 consenting to Inclusion of Properties within the City's Incorporated Area in CHF Community Facilities District No. 2014-1 (Clean Energy) to Finance Renewable Energy Generation, Energy Efficiency, Water Conservation and Electric Vehicle Charging Infrastructure Improvements and approving associate membership in CHF.
2. Review and adopt Resolution No. 1284-2015 consenting to Inclusion of Properties within the City's Incorporated Area in the CHF PACE Program to Finance Renewable Energy Generation, Energy and Water Efficiency Improvements and Electric Vehicle Charging Infrastructure and approving associate membership in CHF.

The Council may decline inclusion and membership by taking no action.

BACKGROUND AND DISCUSSION

California Home Finance Authority ("CHF"), which is in the process of formally changing its name to Golden State Finance Authority, is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the "Act") and the Joint Power Agreement entered into on July 1, 1993, as amended from time to time (the "Authority JPA").

CHF has established two Property Assessed Clean Energy ("PACE") financing programs for residential, commercial, industrial and agricultural properties to address high up-front costs for property owners who wish to improve their properties through installation of measures that will generate renewable energy or reduce their energy and water use. By offering low cost financing, CHF's PACE programs allow construction of these projects to proceed and, in the process,

stimulate building activity and the overall local economy, reduce peak energy demand, increase property values, and generate savings on utility bills for property owners.

CHF contracts with Ygrene Energy Fund CA LLC (Ygrene) to serve as the program administrator and to operate the Ygrene Works for California PACE financing program.

PACE FINANCING PROGRAMS

CHF has established two PACE programs under the legislative authority of two separate California PACE laws:

- **SB 555 PACE Community Facilities District:** Senate Bill 555 amended the Mello-Roos Community Facilities Act, set forth in sections 53311 through 53368.3 of the California Government Code and particularly in accordance with sections 53313.5(l) and 53328.1(a) ("Mello-Roos Act"), to allow for the creation of Community Facilities Districts ("CFDs") for the purpose of financing or refinancing the acquisition, installation, and improvement of energy efficiency, water conservation, renewable energy and electric vehicle charging infrastructure improvements permanently affixed to private or publicly-owned real property.

Individual properties can be annexed into the district and be subject to the special tax that is imposed to repay project financing only if (i) the Council adopts a resolution consenting to the inclusion of parcels in the incorporated areas of the City within the CFD and (ii) each participating owner provides its unanimous written approval for annexation of its property into the PACE CFD.

- **AB 811 PACE Contractual Assessment Program:** By the passage of Assembly Bill 811, the California State Legislature added Chapter 29 to the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code. This legislation authorized cities and counties to establish voluntary contractual assessment programs for the purpose financing private property improvements that promote renewable energy generation, energy and water efficiency and electric vehicle charging infrastructure.

As with the SB 555 CFD, properties can be annexed into the AB 811 PACE program and be subject to the property tax assessment that is imposed to repay project financing only if (i) the Council adopts a resolution consenting to the inclusion of parcels in the incorporated areas of the City within the program and (ii) each participating owner consents in writing to the annexation of its property into the PACE program.

JPA ASSOCIATE MEMBERSHIP

To participate in the PACE programs, the City must become an Associate Member of CHF (JPA Agreement attached). Associate membership requires no dues or other costs to the City, but permits participation in all CHF programs including the PACE program. The attached resolutions approve joining the JPA as an Associate Member. Pursuant to the JPA Agreement and CHF Board Resolution 15-01, the Executive Director has the authority to approve the addition of new Associate Members to the JPA.

PROGRAM AUTHORIZATION BEING SOUGHT

CHF is in the process of seeking validation judgments for both the SB 555 and the AB 811 programs from the Superior Court for the County of Sacramento. However, CHF intends to only implement ONE of the above PACE programs. Once the court enters the validation judgments, CHF will select the PACE program it believes will provide property owners with the greatest flexibility. The other PACE program will not be implemented unless changes in the PACE laws warrant changing or adding that option.

In support of CHF's approach, the Council is being asked to pass two resolutions that would approve the following actions:

The first resolution authorizes the City to join the JPA as an Associate Member and permits property owners within the incorporated areas of the City to participate in the CHF SB 555 Community Facilities District.

The second resolution authorizes the City to join the JPA as an Associate Member and permits property owners within the incorporated areas of the City to participate in the CHF AB 811 Authority PACE Program.

Each resolution also authorizes CHF (1) to accept applications from property owners within the City's incorporated area to finance authorized improvements; and (2) to conduct proceedings and levy special taxes or contractual assessments, as applicable, on the property of participating owners.

Following are additional PACE program considerations:

- Supports development of renewable energy sources, installation of energy and water efficiency improvements, reduction of greenhouse gases, and protection of the environment.
- Only property owners who voluntarily choose to participate in the program will be subject either to assessments or special taxes, depending on which program CHF decides to implement.
- Program financing provides for an affordable method for many property owners to reduce their energy costs and improve their properties.
- Because program financing can be readily transferred upon sale, even owners who are planning to sell have the ability to make responsible and beneficial improvements to their property.
- While early payment premiums apply in some circumstances, property owners can choose to pay off the program financing at any time.
- The City incurs no financial obligations as a result of program participation.
- Once the Council passes the resolutions, the City will incur no costs, and no staff time is required for administration or funding of the PACE program.

There are no fiscal impacts associated with the recommended actions. There is no cost to the City to become an associate member of the JPA or by opting into the PACE programs described in this report. The City will have no administrative responsibilities, marketing obligations, or financial obligations associated with the PACE program. ///

RESOLUTION NO. 1283-2015

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIO DELL, CALIFORNIA
CONSENTING TO INCLUSION OF PROPERTIES WITHIN THE CITY'S
JURISDICTION IN THE CALIFORNIA HOME FINANCE AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2014-1 (CLEAN ENERGY) TO FINANCE
RENEWABLE ENERGY IMPROVEMENTS, ENERGY EFFICIENCY AND WATER
CONSERVATION IMPROVEMENTS AND ELECTRIC VEHICLE CHARGING
INFRASTRUCTURE AND APPROVING ASSOCIATE MEMBERSHIP IN THE JOINT
EXERCISE OF POWERS AUTHORITY RELATED THERETO**

WHEREAS, the California Home Finance Authority, a California joint powers authority, (the "Authority") has established the Community Facilities District No. 2014-1(Clean Energy) in accordance with the Mello-Roos Community Facilities Act, set forth in sections 53311 through 53368.3 of the California Government Code (the "Act") and particularly in accordance with sections 53313.5(l) and 53328.1(a) (the "District"); and

WHEREAS, the purpose of the District is to finance or refinance (including the payment of interest) the acquisition, installation, and improvement of energy efficiency, water conservation, renewable energy and electric vehicle charging infrastructure improvements permanently affixed to private or publicly-owned real property (the "Authorized Improvements"); and

WHEREAS, the Authority is in the process of amending the Authority Joint Powers Agreement (the "Authority JPA") to formally change its name to the Golden State Finance Authority; and

WHEREAS, the City of Rio Dell is committed to development of renewable energy generation and energy efficiency improvements, reduction of greenhouse gases, and protection of the environment; and

WHEREAS, in the Act, the Legislature has authorized a parcel within the territory of the District to annex to the District and be subject to the special tax levy of the District only (i) if the city or county within which the parcel is located has consented, by the adoption of a resolution by the applicable city council or county board of supervisors, to the inclusion of parcels within its boundaries in the District and (ii) with the unanimous written approval of the owner or owners of the parcel when it is annexed (the "Unanimous Approval Agreement"), which, as provided in section 53329.6 of the Act, shall constitute the election required by the California Constitution; and

WHEREAS, the City wishes to provide innovative solutions to its property owners to achieve energy efficiency and water conservation and in doing so cooperate with Authority in order to efficiently and economically assist property owners the City in financing such Authorized Improvements; and

WHEREAS, the Authority has established the District, as permitted by the Act, the Authority JPA, originally made and entered into July 1, 1993, as amended to date, and the City, desires to become an Associate Member of the JPA by execution of the JPA Agreement, a copy of which is

attached as Exhibit "A" hereto, to participate in the programs of the JPA and, to assist property owners within the incorporated area of the City in financing the cost of installing Authorized Improvements; and

WHEREAS, the City will not be responsible for the conduct of any special tax proceedings; the levy and collection of special taxes or any required remedial action in the case of delinquencies in the payment of any special taxes in connection with the District.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. This City Council finds and declares that properties in the City's incorporated area will be benefited by the availability of the Authority CFD No. 2014-1 (Clean Energy) to finance the installation of the Authorized Improvements.
2. This City Council consents to inclusion in the Authority CFD No. 2014-1 (Clean Energy) of all of the properties in the incorporated area within the City and to the Authorized Improvements, upon the request of and execution of the Unanimous Approval Agreement by the owners of such properties when such properties are annexed, in compliance with the laws, rules and regulations applicable to such program; and to the assumption of jurisdiction thereover by Authority for the purposes thereof.
3. The consent of this City Council constitutes assent to the assumption of jurisdiction by Authority for all purposes of the Authority CFD No. 2014-1 (Clean Energy) and authorizes Authority, upon satisfaction of the conditions imposed in this resolution, to take each and every step required for or suitable for financing the Authorized Improvements.
4. This City Council hereby approves joining the JPA as an Associate Member and authorizes the execution by appropriate City officials of any necessary documents to effectuate such membership.
5. City staff is authorized and directed to coordinate with Authority staff to facilitate operation of the Authority CFD No. 2014-1 (Clean Energy) within the City, and report back periodically to this City Council on the success of such program.
6. This Resolution shall take effect immediately upon its adoption. The City Clerk is directed to send a certified copy of this resolution to the Secretary of the Authority.

PASSED AND ADOPTED by the City Council of the City of Rio Dell on December 15, 2015 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Frank Wilson, Mayor

ATTEST:

I, Karen Dunham, City Clerk for the City of Rio Dell, State of California, hereby certify the above to be a full, true and correct copy of Resolution No. 1283-2015 adopted by the City Council of the City of Rio Dell on December 15, 2015.

Karen Dunham, City Clerk

Exhibit A
JPA Agreement
[to be inserted]

CALIFORNIA HOME FINANCE AUTHORITY

AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT

(Original date July 1, 1993 and as last amended and restated December 10, 2014)

THIS AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT ("Agreement") is entered into by and among the counties listed on Attachment 1 hereof and incorporated herein by reference. All such counties are referred to herein as "Members" with the respective powers, privileges and restrictions provided herein.

RECITALS

A. WHEREAS, the California Rural Home Mortgage Finance Authority ("CRHMFA") was created by a Joint Exercise of Powers Agreement dated July 1, 1993 pursuant to the Joint Exercise of Powers Act (commencing with Article 1 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"). By Resolution 2003-02, adopted on January 15, 2003, the name of the authority was changed to CRHMFA Homebuyers Fund. The most recent amendment to the Joint Exercise of Powers Agreement was on January 28, 2004.

B. WHEREAS, the Members of CRHMFA Homebuyers Fund desire to update, reaffirm, clarify and revise certain provisions of the joint powers agreement, including the renaming of the joint powers authority, as set forth herein.

C. WHEREAS, the Members are each empowered by law to finance the construction, acquisition, improvement and rehabilitation of real property.

D. WHEREAS, by this Agreement, the Members desire to create and establish a joint powers authority to exercise their respective powers for the purpose of financing the construction, acquisition, improvement and rehabilitation of real property within the jurisdiction of the Authority as authorized by the Act.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Members individually and collectively agree as follows:

1. Definitions

Unless the context otherwise requires, the following terms shall for purposes of this Agreement have the meanings specified below:

"Act" means the Joint Exercise of Powers Act, commencing with Article 1 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, including the Marks-Roos Local Bond Pooling Act of 1985, as amended.

"Agreement" means this Joint Exercise of Powers Agreement, as the same now exists or as it may from time to time be amended as provided herein.

"Associate Member" means a county, city or other public agency which is not a voting member of the Rural County Representatives of California, a California nonprofit corporation ("RCRC"), with legal power and authority similar to that of the Members, admitted pursuant to paragraph 4.d. below to associate membership herein by vote of the Board.

"Audit Committee" means a committee made up of the nine-member Executive Committee.

"Authority" means California Home Finance Authority ("CHF"), formerly known as CRHMFA Homebuyers Fund or California Rural Home Mortgage Finance Authority.

"Board" means the governing board of the Authority as described in Section 7 below.

"Bonds" means bonds, notes, warrants, leases, certificates of participation, installment purchase agreements, loan agreements and other securities or obligations issued by the Authority, or financing agreements entered into by the Authority pursuant to the Act and any other obligation within the meaning of the term "Bonds" under the Act.

"Delegate" means the Supervisor designated by the governing board of each Member to serve on the Board of the Authority.

"Executive Committee" means the nine-member Executive Committee of the Board established pursuant to Section 10 hereof.

"Member" means any county which is a member of RCRC, has executed this Agreement and has become a member of the Authority.

"Obligations" means bonds, notes, warrants, leases, certificates of participation, installment purchase agreements, loan agreements and other securities or obligations issued by the Authority, or financing agreements entered into by the Authority pursuant to the Act and any other financial or legal obligation of the Authority under the Act.

"Program" or "Project" means any work, improvement, program, project or service undertaken by the Authority.

"Rural County Representatives of California" or "RCRC" means the nonprofit entity incorporated under that name in the State of California.

"Supervisor" means an elected County Supervisor from an RCRC member county.

2. Purpose

The purpose of the Authority is to provide financing for the acquisition, construction, , improvement and rehabilitation of real property in accordance with applicable provisions of law for the benefit of residents and communities. In pursuit of this purpose, this Agreement provides for the joint exercise of powers common to any of its Members and Associate Members as provided herein, or otherwise authorized by the Act and other applicable laws, including assisting

in financing as authorized herein, jointly exercised in the manner set forth herein.

3. Principal Place of Business

The principal office of the Authority shall be 1215 K Street, Suite 1650, Sacramento, California 95814.

4. Creation of Authority; Addition of Members or Associate Members

a. The Authority is hereby created pursuant to the Act. As provided in the Act, the Authority shall be a public entity separate and distinct from the Members or Associate Members.

b. The Authority will cause a notice of this Agreement or any amendment hereto to be prepared and filed with the office of the Secretary of State of California in a timely fashion in the manner set forth in Section 6503.3 of the Act.

c. A county that is a member of RCRC may petition to become a member of the Authority by submitting to the Board a resolution or evidence of other formal action taken by its governing body adopting this Agreement. The Board shall review the petition for membership and shall vote to approve or disapprove the petition. If the petition is approved by a majority of the Board, such county shall immediately become a Member of the Authority.

d. An Associate Member may be added to the Authority upon the affirmative approval of its respective governing board and pursuant to action by the Authority Board upon such terms and conditions, and with such rights, privileges and responsibilities, as may be established from time to time by the Board. Such terms and conditions, and rights, privileges and responsibilities may vary among the Associate Members. Associate Members shall be entitled to participate in one or more programs of the Authority as determined by the Board, but shall not be voting members of the Board. The Executive Director of the Authority shall enforce the terms and conditions for prospective Associate Members to the Authority as provided by resolution of the Board and as amended from time to time by the Board. Changes in the terms and conditions for Associate Membership by the Board will not constitute an amendment of this Agreement.

5. Term and Termination of Powers

This Agreement shall become effective from the date hereof until the earlier of the time when all Bonds and any interest thereon shall have been paid in full, or provision for such payment shall have been made, or when the Authority shall no longer own or hold any interest in a public capital improvement or program. The Authority shall continue to exercise the powers herein conferred upon it until termination of this Agreement, except that if any Bonds are issued and delivered, in no event shall the exercise of the powers herein granted be terminated until all Bonds so issued and delivered and the interest thereon shall have been paid or provision for such payment shall have been made and any other debt incurred with respect to any other financing program established or administered by the Authority has been repaid in full and is no longer outstanding.

6. Powers; Restriction upon Exercise

a. To effectuate its purpose, the Authority shall have the power to exercise any and all powers of the Members or of a joint powers authority under the Act and other applicable provisions of law, subject, however, to the conditions and restrictions herein contained. Each Member or Associate Member may also separately exercise any and all such powers. The powers of the Authority are limited to those of a general law county.

b. The Authority may adopt, from time to time, such resolutions, guidelines, rules and regulations for the conduct of its meetings and the activities of the Authority as it deems necessary or desirable to accomplish its purpose.

c. The Authority shall have the power to finance the construction, acquisition, improvement and rehabilitation of real property, including the power to purchase, with the amounts received or to be received by it pursuant to a bond purchase agreement, bonds issued by any of its Members or Associate Members and other local agencies at public or negotiated sale, for the purpose set forth herein and in accordance with the Act. All or any part of such bonds so purchased may be held by the Authority or resold to public or private purchasers at public or negotiated sale. The Authority shall set any other terms and conditions of any purchase or sale contemplated herein as it deems necessary or convenient and in furtherance of the Act. The Authority may issue or cause to be issued Bonds or other indebtedness, and pledge any of its property or revenues as security to the extent permitted by resolution of the Board under any applicable provision of law. The Authority may issue Bonds in accordance with the Act in order to raise funds necessary to effectuate its purpose hereunder and may enter into agreements to secure such Bonds. The Authority may issue other forms of indebtedness authorized by the Act, and to secure such debt, to further such purpose. The Authority may utilize other forms of capital, including, but not limited to, the Authority's internal resources, capital markets and other forms of private capital investment authorized by the Act.

d. The Authority is hereby authorized to do all acts necessary for the exercise of its powers, including, but not limited to:

- (1) executing contracts,
- (2) employing agents, consultants and employees,
- (3) acquiring, constructing or providing for maintenance and operation of any building, work or improvement,
- (4) acquiring, holding or disposing of real or personal property wherever located, including property subject to mortgage,
- (5) incurring debts, liabilities or obligations,
- (6) receiving gifts, contributions and donations of property, funds, services and any other forms of assistance from persons, firms, corporations or governmental entities,
- (7) suing and being sued in its own name, and litigating or settling any suits or claims,
- (8) doing any and all things necessary or convenient to the exercise of its specific powers and to accomplishing its purpose
- (9) establishing and/or administering districts to finance and refinance the acquisition, installation and improvement of energy efficiency, water

conservation and renewable energy improvements to or on real property and in buildings. The Authority may enter into one or more agreements, including without limitation, participation agreements and implementation agreements to implement such programs.

e. Subject to the applicable provisions of any indenture or resolution providing for the investment of monies held thereunder, the Authority shall have the power to invest any of its funds as the Board deems advisable, in the same manner and upon the same conditions as local agencies pursuant to Section 53601 of the Government Code of the State of California.

f. All property, equipment, supplies, funds and records of the Authority shall be owned by the Authority, except as may be provided otherwise herein or by resolution of the Board.

g. Pursuant to the provisions of Section 6508.1 of the Act, the debts, liabilities and obligations of the Authority shall not be debts, liabilities and obligations of the Members or Associate Members. Any Bonds, together with any interest and premium thereon, shall not constitute debts, liabilities or obligations of any Member. The Members or Associate Members hereby agree that any such Bonds issued by the Authority shall not constitute general obligations of the Authority but shall be payable solely from the moneys pledged to the repayment of principal or interest on such Bonds under the terms of the resolution, indenture, trust, agreement or other instrument pursuant to which such Bonds are issued. Neither the Members or Associate Members nor the Authority shall be obligated to pay the principal of or premium, if any, or interest on the Bonds, or other costs incidental thereto, except from the revenues and funds pledged therefor, and neither the faith and credit nor the taxing power of the Members or Associate Members or the Authority shall be pledged to the payment of the principal of or premium, if any, or interest on the Bonds, nor shall the Members or Associate Members of the Authority be obligated in any manner to make any appropriation for such payment. No covenant or agreement contained in any Bond shall be deemed to be a covenant or agreement of any Delegate, or any officer, agent or employee of the Authority in an individual capacity, and neither the Board nor any officer thereof executing the Bonds or any document related thereto shall be liable personally on any Bond or be subject to any personal liability or accountability by reason of the issuance of any Bonds.

7. Governing Board

a. The Board shall consist of the number of Delegates equal to one representative from each Member.

b. The governing body of each Member shall appoint one of its Supervisors to serve as a Delegate on the Board. A Member's appointment of its Delegate shall be delivered in writing (which may be by electronic mail) to the Authority and shall be effective until he or she is replaced by such governing body or no longer a Supervisor; any vacancy shall be filled by the governing body of the Member in the same manner provided in this paragraph b..

c. The governing body of each Member of the Board shall appoint a Supervisor as an alternate to serve on the Board in the absence of the Delegate; the alternate may exercise all the

rights and privileges of the Delegate, including the right to be counted in constituting a quorum, to participate in the proceedings of the Board, and to vote upon any and all matters. No alternate may have more than one vote at any meeting of the Board, and any Member's designation of an alternate shall be delivered in writing (which may be by electronic mail) to the Authority and shall be effective until such alternate is replaced by his or her governing body or is no longer a Supervisor, unless otherwise specified in such appointment. Any vacancy shall be filled by the governing body of the Member in the same manner provided in this paragraph c..

d. Any person who is not a member of the governing body of a Member and who attends a meeting on behalf of such Member may not vote or be counted toward a quorum but may, at the discretion of the Chair, participate in open meetings he or she attends.

e. Each Associate Member may designate a non-voting representative to the Board who may not be counted toward a quorum but who may attend open meetings, propose agenda items and otherwise participate in Board Meetings.

f. Delegates shall not receive compensation for serving as Delegates, but may claim and receive reimbursement for expenses actually incurred in connection with such service pursuant to rules approved by the Board and subject to the availability of funds.

g. The Board shall have the power, by resolution, to the extent permitted by the Act or any other applicable law, to exercise any powers of the Authority and to delegate any of its functions to the Executive Committee or one or more Delegates, officers or agents of the Authority, and to cause any authorized Delegate, officer or agent to take any actions and execute any documents for and in the name and on behalf of the Board or the Authority.

h. The Board may establish such committees as it deems necessary for any lawful purpose; such committees are advisory only and may not act or purport to act on behalf of the Board or the Authority.

i. The Board shall develop, or cause to be developed, and review, modify as necessary, and adopt each Program.

8. Meetings of the Board

a. The Board shall meet at least once annually, but may meet more frequently upon call of any officer or as provided by resolution of the Board.

b. Meetings of the Board shall be called, noticed, held and conducted pursuant to the provisions of the Ralph M. Brown Act, Chapter 9 (commencing with Section 54950) of Part I of Division 2 of Title 5 of the Government Code of the State of California.

c. The Secretary of the Authority shall cause minutes of all meetings of the Board to be taken and distributed to each Member as soon as possible after each meeting.

d. The lesser of twelve (12) Delegates or a majority of the number of current Delegates shall constitute a quorum for transacting business at any meeting of the Board, except

that less than a quorum may act to adjourn a meeting. Each Delegate shall have one vote.

c. Meetings may be held at any location designated in notice properly given for a meeting and may be conducted by telephonic or similar means in any manner otherwise allowed by law.

9. Officers; Duties; Official Bonds

a. The Board shall elect a chair and vice chair from among the Delegates at the Board's annual meeting who shall serve a term of one (1) year or until their respective successor is elected. The chair shall conduct the meetings of the Board and perform such other duties as may be specified by resolution of the Board. The vice chair shall perform such duties in the absence or in the event of the unavailability of the chair.

b. The Board shall contract annually with RCRC to administer the Agreement and to provide administrative services to the Authority, and the President and Chief Executive Officer of RCRC shall serve *ex officio* as Executive Director, Secretary, Treasurer, and Auditor of the Authority. As chief executive of the Authority, the Executive Director is authorized to execute contracts and other obligations of the Authority, unless prior Board approval is required by a third party, by law or by Board specification, and to perform other duties specified by the Board. The Executive Director may appoint such other officers as may be required for the orderly conduct of the Authority's business and affairs who shall serve at the pleasure of the Executive Director. Subject to the applicable provisions of any indenture or resolution providing for a trustee or other fiscal agent, the Executive Director, as Treasurer, is designated as the custodian of the Authority's funds, from whatever source, and, as such, shall have the powers, duties and responsibilities specified in Section 6505.5 of the Act. The Executive Director, as Auditor, shall have the powers, duties and responsibilities specified in Section 6505.5 of the Act.

c. The Legislative Advocate for the Authority shall be the Rural County Representatives of California.

d. The Treasurer and Auditor are public officers who have charge of, handle, or have access to all property of the Authority, and a bond for such officer in the amount of at least one hundred thousand dollars (\$100,000.00) shall be obtained at the expense of the Authority and filed with the Executive Director. Such bond may secure the faithful performance of such officer's duties with respect to another public office if such bond in at least the same amount specifically mentions the office of the Authority as required herein. The Treasurer and Auditor shall cause periodic independent audits to be made of the Authority's books by a certified public accountant, or public accountant, in compliance with Section 6505 of the Act.

e. The business of the Authority shall be conducted under the supervision of the Executive Director by RCRC personnel.

10. Executive Committee of the Authority

a. Composition

The Authority shall appoint nine (9) members of its Board to serve on an Executive Committee.

b. Powers and Limitations

The Executive Committee shall act in an advisory capacity and make recommendations to the Authority Board. Duties will include, but not be limited to, review of the quarterly and annual budgets, service as the Audit Committee for the Authority, periodically review this Agreement; and complete any other tasks as may be assigned by the Board. The Executive Committee shall be subject to all limitations imposed by this Agreement, other applicable law, and resolutions of the Board.

c. Quorum

A majority of the Executive Committee shall constitute a quorum for transacting business of the Executive Committee.

11. Disposition of Assets

Upon termination of this Agreement, all remaining assets and liabilities of the Authority shall be distributed to the respective Members in such manner as shall be determined by the Board and in accordance with the law.

12. Agreement Not Exclusive; Operation in Jurisdiction of Member

This Agreement shall not be exclusive, and each Member expressly reserves its rights to carry out other public capital improvements and programs as provided for by law and to issue other obligations for those purposes. This Agreement shall not be deemed to amend or alter the terms of other agreements among the Members or Associate Members.

13. Conflict of Interest Code

The Authority shall by resolution adopt a Conflict of Interest Code as required by law.

14. Contributions and Advances

Contributions or advances of public funds and of personnel, equipment or property may be made to the Authority by any Member, Associate Member or any other public agency to further the purpose of this Agreement. Payment of public funds may be made to defray the cost of any contribution. Any advance may be made subject to repayment, and in that case shall be repaid in the manner agreed upon by the advancing Member, Associate Member or other public agency and the Authority at the time of making the advance.

15. Fiscal Year; Accounts; Reports; Annual Budget; Administrative Expenses

a. The fiscal year of the Authority shall be the period from January 1 of each year to and including the following December 31, except for any partial fiscal year resulting from a change

in accounting based on a different fiscal year previously.

b. Prior to the beginning of each fiscal year, the Board shall adopt a budget for the succeeding fiscal year.

c. The Authority shall establish and maintain such funds and accounts as may be required by generally accepted accounting principles. The books and records of the Authority are public records and shall be open to inspection at all reasonable times by each Member and its representatives.

d. The Auditor shall either make, or contract with a certified public accountant or public accountant to make, an annual audit of the accounts and records of the Authority. The minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code of the State of California, and shall conform to generally accepted auditing standards. When an audit of accounts and records is made by a certified public accountant or public accountant, a report thereof shall be filed as a public record with each Member (and also with the auditor of Sacramento County as the county in which the Authority's office is located) within 12 months after the end of the fiscal year.

e. In any year in which the annual budget of the Authority does not exceed five thousand dollars (\$5,000.00), the Board may, upon unanimous approval of the Board, replace the annual audit with an ensuing one-year period, but in no event for a period longer than two fiscal years.

16. Duties of Members or Associate Members; Breach

If any Member or Associate Member shall default in performing any covenant contained herein, such default shall not excuse that Member or Associate Member from fulfilling its other obligations hereunder, and such defaulting Member or Associate Member shall remain liable for the performance of all covenants hereof. Each Member or Associate Member hereby declares that this Agreement is entered into for the benefit of the Authority created hereby, and each Member or Associate Member hereby grants to the Authority the right to enforce, by whatever lawful means the Authority deems appropriate, all of the obligations of each of the parties hereunder. Each and all of the remedies given to the Authority hereunder or by any law now or hereafter enacted are cumulative, and the exercise of one right or remedy shall not impair the right of the Authority to any or all other remedies.

17. Indemnification

To the full extent permitted by law, the Board may authorize indemnification by the Authority of any person who is or was a Board Delegate, alternate, officer, consultant, employee or other agent of the Authority, and who was or is a party or is threatened to be made a party to a proceeding by reason of the fact that such person is or was such a Delegate, alternate, officer, consultant, employee or other agent of the Authority. Such indemnification may be made against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding, if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the Authority and, in the case of a criminal

proceeding, had no reasonable cause to believe his or her conduct was unlawful and, in the case of an action by or in the right of the Authority, acted with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

18. Immunities

All of the privileges and immunities from liabilities, exemptions from law, ordinances and rules, all pension, relief, disability, workers' compensation and other benefits which apply to the activity of officers, agents or employees of any of the Members or Associate Members when performing their respective functions, shall apply to them to the same degree and extent while engaged as Delegates or otherwise as an officer, agent or other representative of the Authority or while engaged in the performance of any of their functions or duties under the provisions of this Agreement.

19. Amendment

This Agreement may be amended by the adoption of the amendment by the governing bodies of a majority of the Members. The amendment shall become effective on the first day of the month following the last required member agency approval. An amendment may be initiated by the Board, upon approval by a majority of the Board. Any proposed amendment, including the text of the proposed change, shall be given by the Board to each Member's Delegate for presentation and action by each Member's board within 60 days, which time may be extended by the Board.

The list of Members, Attachment 1, may be updated to reflect new and/or withdrawn Members without requiring formal amendment of the Agreement by the Authority Board of Directors.

20. Withdrawal of Member or Associate Member

If a Member withdraws as member of RCRC, its membership in the Authority shall automatically terminate. A Member or Associate Member may withdraw from this Agreement upon written notice to the Board; provided however, that no such withdrawal shall result in the dissolution of the Authority as long as any Bonds or other obligations of the Authority remain outstanding. Any such withdrawal shall become effective thirty (30) days after a resolution adopted by the Member's governing body which authorizes withdrawal is received by the Authority. Notwithstanding the foregoing, any termination of membership or withdrawal from the Authority shall not operate to relieve any terminated or withdrawing Member or Associate Member from Obligations incurred by such terminated or withdrawing Member or Associate Member prior to the time of its termination or withdrawal.

20. Miscellaneous

a. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

b. **Construction.** The section headings herein are for convenience only and are not to

be construed as modifying or governing the language in the section referred to.

c. **Approvals.** Wherever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.

d. **Jurisdiction; Venue.** This Agreement is made in the State of California, under the Constitution and laws of such State and is to be so construed; any action to enforce or interpret its terms shall be brought in Sacramento County, California.

e. **Integration.** This Agreement is the complete and exclusive statement of the agreement among the parties hereto, and it supersedes and merges all prior proposals, understandings, and other agreements, whether oral, written, or implied in conduct, between and among the parties relating to the subject matter of this Agreement.

f. **Successors; Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties hereto. Except to the extent expressly provided herein, no Member may assign any right or obligation hereunder without the consent of the Board.

g. **Severability.** Should any part, term or provision of this Agreement be decided by the courts to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms or provisions hereof shall not be affected thereby.

The parties hereto have caused this Agreement to be executed and attested by their properly authorized officers.

AS ADOPTED BY THE MEMBERS:

Originally dated July 1, 1993
Amended and restated December 10, 1998
Amended and restated February 18, 1999
Amended and restated September 18, 2002
Amended and restated January 28, 2004
Amended and restated December 10, 2014

[SIGNATURES ON FOLLOWING PAGES]

SIGNATURE PAGE FOR NEW ASSOCIATE MEMBERS

NAME OF COUNTY OR CITY:

Dated: _____

By: _____

Name: _____

Title: _____

Attest:

By _____
[Clerk of the Board Supervisors or City Clerk]

AFTER EXECUTION, PLEASE SEND TO:

Golden State Finance Authority
(formerly California Home Finance Authority)
1215 K Street, Suite 1650
Sacramento, CA 95814

ATTACHMENT 1
CALIFORNIA HOME FINANCE AUTHORITY MEMBERS

As of December 10, 2014

Alpine County
Amador County
Butte County
Calaveras County
Colusa County
Del Norte County
El Dorado County
Glenn County
Humboldt County
Imperial County
Inyo County
Lake County
Lassen County
Madera County
Mariposa County
Mendocino County
Merced County
Modoc County
Mono County
Napa County
Nevada County
Placer County
Plumas County
San Benito County
Shasta County
Sierra County
Siskiyou County
Sutter County
Tehama County
Trinity County
Tuolumne County
Yolo County
Yuba County

RESOLUTION NO. 1284-2015

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIO DELL, CALIFORNIA, CONSENTING TO INCLUSION OF PROPERTIES WITHIN THE CITY'S JURISDICTION IN THE CALIFORNIA HOME FINANCE AUTHORITY, PROGRAM TO FINANCE RENEWABLE ENERGY GENERATION, ENERGY AND WATER EFFICIENCY IMPROVEMENTS AND ELECTRIC VEHICLE CHARGING INFRASTRUCTURE AND APPROVING ASSOCIATE MEMBERSHIP IN THE JOINT EXERCISE OF POWERS AUTHORITY RELATED THERETO

WHEREAS, the California Home Finance Authority ("Authority") is a joint exercise of powers authority established pursuant to Chapter 5 of Division 7, Title 1 of the Government Code of the State of California (Section 6500 and following) (the "Act") and the Joint Power Agreement entered into on July 1, 1993, as amended from time to time (the "Authority JPA"); and

WHEREAS, the Authority is in the process of amending the Authority JPA to formally change its name to the Golden State Finance Authority; and

WHEREAS, Authority has established a property-assessed clean energy ("PACE") Program (the "Authority PACE Program") to provide for the financing of renewable energy generation, energy and water efficiency improvements and electric vehicle charging infrastructure (the "Improvements") pursuant to Chapter 29 of the Improvement Bond Act of 1911, being Division 7 of the California Streets and Highways Code ("Chapter 29") within counties and cities throughout the State of California that elect to participate in such program; and

WHEREAS, City of Rio Dell (the "City") is committed to development of renewable energy generation and energy and water efficiency improvements, reduction of greenhouse gases, and protection of the environment; and

WHEREAS, in Chapter 29, the Legislature has authorized cities and counties to assist property owners in financing the cost of installing Improvements through a voluntary contractual assessment program; and

WHEREAS, installation of such Improvements by property owners within the jurisdictional boundaries of the counties and cities that are participating in the Authority PACE Program would promote the purposes cited above; and

WHEREAS, the City wishes to provide innovative solutions to its property owners to achieve energy and water efficiency, and in doing so cooperate with Authority in order to efficiently and economically assist property owners within the City in financing such Improvements; and

WHEREAS, Authority has established the Authority PACE Program, which is such a voluntary contractual assessment program, as permitted by the Act, the Authority JPA, originally made and entered into July 1, 1993, as amended to date, and the City, desires to become an Associate Member of the JPA by execution of the JPA Agreement, a copy of which is attached as Exhibit "A" hereto, to participate in the programs of the JPA and to assist property owners within the jurisdiction of the City in financing the cost of installing Improvements; and

WHEREAS, the City will not be responsible for the conduct of any assessment proceedings; the levy and collection of assessments or any required remedial action in the case of delinquencies in the payment of any assessments or the issuance, sale or administration of any bonds issued in connection with the Authority PACE Program.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. This City Council finds and declares that properties in the City's incorporated area will be benefited by the availability of the Authority PACE Program to finance the installation of the Improvements.

2. This City Council consents to inclusion in the Authority PACE Program of all of the properties in the jurisdictional boundaries of the City and to the Improvements, upon the request by and voluntary agreement of owners of such properties, in compliance with the laws, rules and regulations applicable to such program; and to the assumption of jurisdiction thereover by Authority for the purposes thereof.

3. The consent of this City Council constitutes assent to the assumption of jurisdiction by Authority for all purposes of the Authority PACE Program and authorizes Authority, upon satisfaction of the conditions imposed in this resolution, to take each and every step required for or suitable for financing the Improvements, including the levying, collecting and enforcement of the contractual assessments to finance the Improvements and the issuance and enforcement of bonds to represent such contractual assessments.

4. This City Council hereby approves joining the JPA as an Associate Member and authorizes the execution by appropriate City officials of any necessary documents to effectuate such membership.

5. City staff is authorized and directed to coordinate with Authority staff to facilitate operation of the Authority PACE Program within the City, and report back periodically to this City Council on the success of such program.

6. This Resolution shall take effect immediately upon its adoption. The City Clerk is directed to send a certified copy of this resolution to the Secretary of the Authority.

PASSED AND ADOPTED by the City Council of the City of Rio Dell on December 15, 2015 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Frank Wilson, Mayor

I, Karen Dunham, City Clerk for the City of Rio Dell, State of California, hereby certify the above to be a full, true and correct copy of Resolution No. 1284-2015 adopted by the City Council of the City of Rio Dell on November 17, 2015.

Karen Dunham, City Clerk

Exhibit A
JPA Agreement

CALIFORNIA HOME FINANCE AUTHORITY

AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT

(Original date July 1, 1993 and as last amended and restated December 10, 2014)

THIS AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT ("Agreement") is entered into by and among the counties listed on Attachment 1 hereof and incorporated herein by reference. All such counties are referred to herein as "Members" with the respective powers, privileges and restrictions provided herein.

RECITALS

A. WHEREAS, the California Rural Home Mortgage Finance Authority ("CRHMFA") was created by a Joint Exercise of Powers Agreement dated July 1, 1993 pursuant to the Joint Exercise of Powers Act (commencing with Article 1 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"). By Resolution 2003-02, adopted on January 15, 2003, the name of the authority was changed to CRHMFA Homebuyers Fund. The most recent amendment to the Joint Exercise of Powers Agreement was on January 28, 2004.

B. WHEREAS, the Members of CRHMFA Homebuyers Fund desire to update, reaffirm, clarify and revise certain provisions of the joint powers agreement, including the renaming of the joint powers authority, as set forth herein.

C. WHEREAS, the Members are each empowered by law to finance the construction, acquisition, improvement and rehabilitation of real property.

D. WHEREAS, by this Agreement, the Members desire to create and establish a joint powers authority to exercise their respective powers for the purpose of financing the construction, acquisition, improvement and rehabilitation of real property within the jurisdiction of the Authority as authorized by the Act.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Members individually and collectively agree as follows:

1. Definitions

Unless the context otherwise requires, the following terms shall for purposes of this Agreement have the meanings specified below:

"Act" means the Joint Exercise of Powers Act, commencing with Article 1 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, including the Marks-Roos Local Bond Pooling Act of 1985, as amended.

"Agreement" means this Joint Exercise of Powers Agreement, as the same now exists or as it may from time to time be amended as provided herein.

"Associate Member" means a county, city or other public agency which is not a voting member of the Rural County Representatives of California, a California nonprofit corporation ("RCRC"), with legal power and authority similar to that of the Members, admitted pursuant to paragraph 4.d. below to associate membership herein by vote of the Board.

"Audit Committee" means a committee made up of the nine-member Executive Committee.

"Authority" means California Home Finance Authority ("CHF"), formerly known as CRHMFA Homebuyers Fund or California Rural Home Mortgage Finance Authority.

"Board" means the governing board of the Authority as described in Section 7 below.

"Bonds" means bonds, notes, warrants, leases, certificates of participation, installment purchase agreements, loan agreements and other securities or obligations issued by the Authority, or financing agreements entered into by the Authority pursuant to the Act and any other obligation within the meaning of the term "Bonds" under the Act.

"Delegate" means the Supervisor designated by the governing board of each Member to serve on the Board of the Authority.

"Executive Committee" means the nine-member Executive Committee of the Board established pursuant to Section 10 hereof.

"Member" means any county which is a member of RCRC, has executed this Agreement and has become a member of the Authority.

"Obligations" means bonds, notes, warrants, leases, certificates of participation, installment purchase agreements, loan agreements and other securities or obligations issued by the Authority, or financing agreements entered into by the Authority pursuant to the Act and any other financial or legal obligation of the Authority under the Act.

"Program" or "Project" means any work, improvement, program, project or service undertaken by the Authority.

"Rural County Representatives of California" or "RCRC" means the nonprofit entity incorporated under that name in the State of California.

"Supervisor" means an elected County Supervisor from an RCRC member county.

2. Purpose

The purpose of the Authority is to provide financing for the acquisition, construction, , improvement and rehabilitation of real property in accordance with applicable provisions of law for the benefit of residents and communities. In pursuit of this purpose, this Agreement provides for the joint exercise of powers common to any of its Members and Associate Members as provided herein, or otherwise authorized by the Act and other applicable laws, including assisting

in financing as authorized herein, jointly exercised in the manner set forth herein.

3. Principal Place of Business

The principal office of the Authority shall be 1215 K Street, Suite 1650, Sacramento, California 95814.

4. Creation of Authority; Addition of Members or Associate Members

a. The Authority is hereby created pursuant to the Act. As provided in the Act, the Authority shall be a public entity separate and distinct from the Members or Associate Members.

b. The Authority will cause a notice of this Agreement or any amendment hereto to be prepared and filed with the office of the Secretary of State of California in a timely fashion in the manner set forth in Section 6503.3 of the Act.

c. A county that is a member of RCRC may petition to become a member of the Authority by submitting to the Board a resolution or evidence of other formal action taken by its governing body adopting this Agreement. The Board shall review the petition for membership and shall vote to approve or disapprove the petition. If the petition is approved by a majority of the Board, such county shall immediately become a Member of the Authority.

d. An Associate Member may be added to the Authority upon the affirmative approval of its respective governing board and pursuant to action by the Authority Board upon such terms and conditions, and with such rights, privileges and responsibilities, as may be established from time to time by the Board. Such terms and conditions, and rights, privileges and responsibilities may vary among the Associate Members. Associate Members shall be entitled to participate in one or more programs of the Authority as determined by the Board, but shall not be voting members of the Board. The Executive Director of the Authority shall enforce the terms and conditions for prospective Associate Members to the Authority as provided by resolution of the Board and as amended from time to time by the Board. Changes in the terms and conditions for Associate Membership by the Board will not constitute an amendment of this Agreement.

5. Term and Termination of Powers

This Agreement shall become effective from the date hereof until the earlier of the time when all Bonds and any interest thereon shall have been paid in full, or provision for such payment shall have been made, or when the Authority shall no longer own or hold any interest in a public capital improvement or program. The Authority shall continue to exercise the powers herein conferred upon it until termination of this Agreement, except that if any Bonds are issued and delivered, in no event shall the exercise of the powers herein granted be terminated until all Bonds so issued and delivered and the interest thereon shall have been paid or provision for such payment shall have been made and any other debt incurred with respect to any other financing program established or administered by the Authority has been repaid in full and is no longer outstanding.

6. Powers; Restriction upon Exercise

a. To effectuate its purpose, the Authority shall have the power to exercise any and all powers of the Members or of a joint powers authority under the Act and other applicable provisions of law, subject, however, to the conditions and restrictions herein contained. Each Member or Associate Member may also separately exercise any and all such powers. The powers of the Authority are limited to those of a general law county.

b. The Authority may adopt, from time to time, such resolutions, guidelines, rules and regulations for the conduct of its meetings and the activities of the Authority as it deems necessary or desirable to accomplish its purpose.

c. The Authority shall have the power to finance the construction, acquisition, improvement and rehabilitation of real property, including the power to purchase, with the amounts received or to be received by it pursuant to a bond purchase agreement, bonds issued by any of its Members or Associate Members and other local agencies at public or negotiated sale, for the purpose set forth herein and in accordance with the Act. All or any part of such bonds so purchased may be held by the Authority or resold to public or private purchasers at public or negotiated sale. The Authority shall set any other terms and conditions of any purchase or sale contemplated herein as it deems necessary or convenient and in furtherance of the Act. The Authority may issue or cause to be issued Bonds or other indebtedness, and pledge any of its property or revenues as security to the extent permitted by resolution of the Board under any applicable provision of law. The Authority may issue Bonds in accordance with the Act in order to raise funds necessary to effectuate its purpose hereunder and may enter into agreements to secure such Bonds. The Authority may issue other forms of indebtedness authorized by the Act, and to secure such debt, to further such purpose. The Authority may utilize other forms of capital, including, but not limited to, the Authority's internal resources, capital markets and other forms of private capital investment authorized by the Act.

d. The Authority is hereby authorized to do all acts necessary for the exercise of its powers, including, but not limited to:

- (1) executing contracts,
- (2) employing agents, consultants and employees,
- (3) acquiring, constructing or providing for maintenance and operation of any building, work or improvement,
- (4) acquiring, holding or disposing of real or personal property wherever located, including property subject to mortgage,
- (5) incurring debts, liabilities or obligations,
- (6) receiving gifts, contributions and donations of property, funds, services and any other forms of assistance from persons, firms, corporations or governmental entities,
- (7) suing and being sued in its own name, and litigating or settling any suits or claims,
- (8) doing any and all things necessary or convenient to the exercise of its specific powers and to accomplishing its purpose
- (9) establishing and/or administering districts to finance and refinance the acquisition, installation and improvement of energy efficiency, water

conservation and renewable energy improvements to or on real property and in buildings. The Authority may enter into one or more agreements, including without limitation, participation agreements and implementation agreements to implement such programs.

c. Subject to the applicable provisions of any indenture or resolution providing for the investment of monies held thereunder, the Authority shall have the power to invest any of its funds as the Board deems advisable, in the same manner and upon the same conditions as local agencies pursuant to Section 53601 of the Government Code of the State of California.

f. All property, equipment, supplies, funds and records of the Authority shall be owned by the Authority, except as may be provided otherwise herein or by resolution of the Board.

g. Pursuant to the provisions of Section 6508.1 of the Act, the debts, liabilities and obligations of the Authority shall not be debts, liabilities and obligations of the Members or Associate Members. Any Bonds, together with any interest and premium thereon, shall not constitute debts, liabilities or obligations of any Member. The Members or Associate Members hereby agree that any such Bonds issued by the Authority shall not constitute general obligations of the Authority but shall be payable solely from the moneys pledged to the repayment of principal or interest on such Bonds under the terms of the resolution, indenture, trust, agreement or other instrument pursuant to which such Bonds are issued. Neither the Members or Associate Members nor the Authority shall be obligated to pay the principal of or premium, if any, or interest on the Bonds, or other costs incidental thereto, except from the revenues and funds pledged therefor, and neither the faith and credit nor the taxing power of the Members or Associate Members or the Authority shall be pledged to the payment of the principal of or premium, if any, or interest on the Bonds, nor shall the Members or Associate Members of the Authority be obligated in any manner to make any appropriation for such payment. No covenant or agreement contained in any Bond shall be deemed to be a covenant or agreement of any Delegate, or any officer, agent or employee of the Authority in an individual capacity, and neither the Board nor any officer thereof executing the Bonds or any document related thereto shall be liable personally on any Bond or be subject to any personal liability or accountability by reason of the issuance of any Bonds.

7. Governing Board

a. The Board shall consist of the number of Delegates equal to one representative from each Member.

b. The governing body of each Member shall appoint one of its Supervisors to serve as a Delegate on the Board. A Member's appointment of its Delegate shall be delivered in writing (which may be by electronic mail) to the Authority and shall be effective until he or she is replaced by such governing body or no longer a Supervisor; any vacancy shall be filled by the governing body of the Member in the same manner provided in this paragraph b..

c. The governing body of each Member of the Board shall appoint a Supervisor as an alternate to serve on the Board in the absence of the Delegate; the alternate may exercise all the

rights and privileges of the Delegate, including the right to be counted in constituting a quorum, to participate in the proceedings of the Board, and to vote upon any and all matters. No alternate may have more than one vote at any meeting of the Board, and any Member's designation of an alternate shall be delivered in writing (which may be by electronic mail) to the Authority and shall be effective until such alternate is replaced by his or her governing body or is no longer a Supervisor, unless otherwise specified in such appointment. Any vacancy shall be filled by the governing body of the Member in the same manner provided in this paragraph c..

d. Any person who is not a member of the governing body of a Member and who attends a meeting on behalf of such Member may not vote or be counted toward a quorum but may, at the discretion of the Chair, participate in open meetings he or she attends.

e. Each Associate Member may designate a non-voting representative to the Board who may not be counted toward a quorum but who may attend open meetings, propose agenda items and otherwise participate in Board Meetings.

f. Delegates shall not receive compensation for serving as Delegates, but may claim and receive reimbursement for expenses actually incurred in connection with such service pursuant to rules approved by the Board and subject to the availability of funds.

g. The Board shall have the power, by resolution, to the extent permitted by the Act or any other applicable law, to exercise any powers of the Authority and to delegate any of its functions to the Executive Committee or one or more Delegates, officers or agents of the Authority, and to cause any authorized Delegate, officer or agent to take any actions and execute any documents for and in the name and on behalf of the Board or the Authority.

h. The Board may establish such committees as it deems necessary for any lawful purpose; such committees are advisory only and may not act or purport to act on behalf of the Board or the Authority.

i. The Board shall develop, or cause to be developed, and review, modify as necessary, and adopt each Program.

8. Meetings of the Board

a. The Board shall meet at least once annually, but may meet more frequently upon call of any officer or as provided by resolution of the Board.

b. Meetings of the Board shall be called, noticed, held and conducted pursuant to the provisions of the Ralph M. Brown Act, Chapter 9 (commencing with Section 54950) of Part I of Division 2 of Title 5 of the Government Code of the State of California.

c. The Secretary of the Authority shall cause minutes of all meetings of the Board to be taken and distributed to each Member as soon as possible after each meeting.

d. The lesser of twelve (12) Delegates or a majority of the number of current Delegates shall constitute a quorum for transacting business at any meeting of the Board, except

that less than a quorum may act to adjourn a meeting. Each Delegate shall have one vote.

c. Meetings may be held at any location designated in notice properly given for a meeting and may be conducted by telephonic or similar means in any manner otherwise allowed by law.

9. Officers; Duties; Official Bonds

a. The Board shall elect a chair and vice chair from among the Delegates at the Board's annual meeting who shall serve a term of one (1) year or until their respective successor is elected. The chair shall conduct the meetings of the Board and perform such other duties as may be specified by resolution of the Board. The vice chair shall perform such duties in the absence or in the event of the unavailability of the chair.

b. The Board shall contract annually with RCRC to administer the Agreement and to provide administrative services to the Authority, and the President and Chief Executive Officer of RCRC shall serve *ex officio* as Executive Director, Secretary, Treasurer, and Auditor of the Authority. As chief executive of the Authority, the Executive Director is authorized to execute contracts and other obligations of the Authority, unless prior Board approval is required by a third party, by law or by Board specification, and to perform other duties specified by the Board. The Executive Director may appoint such other officers as may be required for the orderly conduct of the Authority's business and affairs who shall serve at the pleasure of the Executive Director. Subject to the applicable provisions of any indenture or resolution providing for a trustee or other fiscal agent, the Executive Director, as Treasurer, is designated as the custodian of the Authority's funds, from whatever source, and, as such, shall have the powers, duties and responsibilities specified in Section 6505.5 of the Act. The Executive Director, as Auditor, shall have the powers, duties and responsibilities specified in Section 6505.5 of the Act.

c. The Legislative Advocate for the Authority shall be the Rural County Representatives of California.

d. The Treasurer and Auditor are public officers who have charge of, handle, or have access to all property of the Authority, and a bond for such officer in the amount of at least one hundred thousand dollars (\$100,000.00) shall be obtained at the expense of the Authority and filed with the Executive Director. Such bond may secure the faithful performance of such officer's duties with respect to another public office if such bond in at least the same amount specifically mentions the office of the Authority as required herein. The Treasurer and Auditor shall cause periodic independent audits to be made of the Authority's books by a certified public accountant, or public accountant, in compliance with Section 6505 of the Act.

e. The business of the Authority shall be conducted under the supervision of the Executive Director by RCRC personnel.

10. Executive Committee of the Authority

a. Composition

The Authority shall appoint nine (9) members of its Board to serve on an Executive Committee.

b. Powers and Limitations

The Executive Committee shall act in an advisory capacity and make recommendations to the Authority Board. Duties will include, but not be limited to, review of the quarterly and annual budgets, service as the Audit Committee for the Authority, periodically review this Agreement; and complete any other tasks as may be assigned by the Board. The Executive Committee shall be subject to all limitations imposed by this Agreement, other applicable law, and resolutions of the Board.

c. Quorum

A majority of the Executive Committee shall constitute a quorum for transacting business of the Executive Committee.

11. Disposition of Assets

Upon termination of this Agreement, all remaining assets and liabilities of the Authority shall be distributed to the respective Members in such manner as shall be determined by the Board and in accordance with the law.

12. Agreement Not Exclusive; Operation in Jurisdiction of Member

This Agreement shall not be exclusive, and each Member expressly reserves its rights to carry out other public capital improvements and programs as provided for by law and to issue other obligations for those purposes. This Agreement shall not be deemed to amend or alter the terms of other agreements among the Members or Associate Members.

13. Conflict of Interest Code

The Authority shall by resolution adopt a Conflict of Interest Code as required by law.

14. Contributions and Advances

Contributions or advances of public funds and of personnel, equipment or property may be made to the Authority by any Member, Associate Member or any other public agency to further the purpose of this Agreement. Payment of public funds may be made to defray the cost of any contribution. Any advance may be made subject to repayment, and in that case shall be repaid in the manner agreed upon by the advancing Member, Associate Member or other public agency and the Authority at the time of making the advance.

15. Fiscal Year; Accounts; Reports; Annual Budget; Administrative Expenses

a. The fiscal year of the Authority shall be the period from January 1 of each year to and including the following December 31, except for any partial fiscal year resulting from a change

in accounting based on a different fiscal year previously.

b. Prior to the beginning of each fiscal year, the Board shall adopt a budget for the succeeding fiscal year.

c. The Authority shall establish and maintain such funds and accounts as may be required by generally accepted accounting principles. The books and records of the Authority are public records and shall be open to inspection at all reasonable times by each Member and its representatives.

d. The Auditor shall either make, or contract with a certified public accountant or public accountant to make, an annual audit of the accounts and records of the Authority. The minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code of the State of California, and shall conform to generally accepted auditing standards. When an audit of accounts and records is made by a certified public accountant or public accountant, a report thereof shall be filed as a public record with each Member (and also with the auditor of Sacramento County as the county in which the Authority's office is located) within 12 months after the end of the fiscal year.

e. In any year in which the annual budget of the Authority does not exceed five thousand dollars (\$5,000.00), the Board may, upon unanimous approval of the Board, replace the annual audit with an ensuing one-year period, but in no event for a period longer than two fiscal years.

16. Duties of Members or Associate Members; Breach

If any Member or Associate Member shall default in performing any covenant contained herein, such default shall not excuse that Member or Associate Member from fulfilling its other obligations hereunder, and such defaulting Member or Associate Member shall remain liable for the performance of all covenants hereof. Each Member or Associate Member hereby declares that this Agreement is entered into for the benefit of the Authority created hereby, and each Member or Associate Member hereby grants to the Authority the right to enforce, by whatever lawful means the Authority deems appropriate, all of the obligations of each of the parties hereunder. Each and all of the remedies given to the Authority hereunder or by any law now or hereafter enacted are cumulative, and the exercise of one right or remedy shall not impair the right of the Authority to any or all other remedies.

17. Indemnification

To the full extent permitted by law, the Board may authorize indemnification by the Authority of any person who is or was a Board Delegate, alternate, officer, consultant, employee or other agent of the Authority, and who was or is a party or is threatened to be made a party to a proceeding by reason of the fact that such person is or was such a Delegate, alternate, officer, consultant, employee or other agent of the Authority. Such indemnification may be made against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding, if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the Authority and, in the case of a criminal

proceeding, had no reasonable cause to believe his or her conduct was unlawful and, in the case of an action by or in the right of the Authority, acted with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

18. Immunities

All of the privileges and immunities from liabilities, exemptions from law, ordinances and rules, all pension, relief, disability, workers' compensation and other benefits which apply to the activity of officers, agents or employees of any of the Members or Associate Members when performing their respective functions, shall apply to them to the same degree and extent while engaged as Delegates or otherwise as an officer, agent or other representative of the Authority or while engaged in the performance of any of their functions or duties under the provisions of this Agreement.

19. Amendment

This Agreement may be amended by the adoption of the amendment by the governing bodies of a majority of the Members. The amendment shall become effective on the first day of the month following the last required member agency approval. An amendment may be initiated by the Board, upon approval by a majority of the Board. Any proposed amendment, including the text of the proposed change, shall be given by the Board to each Member's Delegate for presentation and action by each Member's board within 60 days, which time may be extended by the Board.

The list of Members, Attachment 1, may be updated to reflect new and/or withdrawn Members without requiring formal amendment of the Agreement by the Authority Board of Directors.

20. Withdrawal of Member or Associate Member

If a Member withdraws as member of RCRC, its membership in the Authority shall automatically terminate. A Member or Associate Member may withdraw from this Agreement upon written notice to the Board; provided however, that no such withdrawal shall result in the dissolution of the Authority as long as any Bonds or other obligations of the Authority remain outstanding. Any such withdrawal shall become effective thirty (30) days after a resolution adopted by the Member's governing body which authorizes withdrawal is received by the Authority. Notwithstanding the foregoing, any termination of membership or withdrawal from the Authority shall not operate to relieve any terminated or withdrawing Member or Associate Member from Obligations incurred by such terminated or withdrawing Member or Associate Member prior to the time of its termination or withdrawal.

20. Miscellaneous

a. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

b. **Construction.** The section headings herein are for convenience only and are not to

be construed as modifying or governing the language in the section referred to.

c. **Approvals.** Wherever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.

d. **Jurisdiction; Venue.** This Agreement is made in the State of California, under the Constitution and laws of such State and is to be so construed; any action to enforce or interpret its terms shall be brought in Sacramento County, California.

e. **Integration.** This Agreement is the complete and exclusive statement of the agreement among the parties hereto, and it supersedes and merges all prior proposals, understandings, and other agreements, whether oral, written, or implied in conduct, between and among the parties relating to the subject matter of this Agreement.

f. **Successors; Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties hereto. Except to the extent expressly provided herein, no Member may assign any right or obligation hereunder without the consent of the Board.

g. **Severability.** Should any part, term or provision of this Agreement be decided by the courts to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms or provisions hereof shall not be affected thereby.

The parties hereto have caused this Agreement to be executed and attested by their properly authorized officers.

AS ADOPTED BY THE MEMBERS:

Originally dated July 1, 1993
Amended and restated December 10, 1998
Amended and restated February 18, 1999
Amended and restated September 18, 2002
Amended and restated January 28, 2004
Amended and restated December 10, 2014

[SIGNATURES ON FOLLOWING PAGES]

SIGNATURE PAGE FOR NEW ASSOCIATE MEMBERS

NAME OF COUNTY OR CITY:

Dated: _____

By: _____

Name: _____

Title: _____

Attest:

By _____
[Clerk of the Board Supervisors or City Clerk]

AFTER EXECUTION, PLEASE SEND TO:

Golden State Finance Authority
(formerly California Home Finance Authority)
1215 K Street, Suite 1650
Sacramento, CA 95814

CITY OF RIO DELL CHECK REGISTER

General Checking - US Bank of California

Check	Date	Vendor	Description	Check / Payment
00004260	11/05/2015	[2203] AESTHETIC DESIGN & PHOTOGRAPHY	ANNUAL WEB HOSTING 11/15/15 TO 10/16/16	320.00
00004261	11/05/2015	[5381] ALTERNATIVE BUSINESS CONCEPTS	MONTHLY MAINTENANCE & COPY CHARGES FOR OCTOBE	861.84
00004262	11/05/2015	[2224] AQUA BEN CORPORATION	HYDROFLOC 750L 55 GAL DRUM	814.23
00004263	11/05/2015	[3975] AT&T - 5709	PHONE EXPENSES FOR OCTOBER 2015	334.68
00004264	11/05/2015	[2301] MARK A. CLEMENTI, PH.D.	PRE-EMPLOYMENT PSYCHOLOGICAL EVALUATION	625.00
00004265	11/05/2015	[2366] EEL RIVER DISPOSAL INC	GARBAGE BAGS FOR THE MONTH OF OCTOBER 2015	567.15
00004266	11/05/2015	[2383] EUREKA OXYGEN CO., INC	NITROGEN REFILL	76.17
00004267	11/05/2015	[2393] FASTENAL COMPANY	FOUR COWHIDE DVR GLOVES; SIX DRVR GLOVES	150.79
00004268	11/05/2015	[2407] FORBUSCO LUMBER	TWO 4X6X8 PT LUMBER INVOICE WAS ORIGINALLY DA	48.53
00004269	11/05/2015	[2570] NILSEN COMPANY	AREA LIGHTS AT PUBLIC WORKS YARD	
00004270	11/05/2015	[2410] NORTH COAST CLEANING SERVICES, INC.	63 BAGS SOLAR ROCK SALT	330.00
00004271	11/05/2015	[2569] NORTH COAST LABORATORIES, INC.	MONTHLY CLEANING SERVICE FOR OCTOBER 2015	471.00
00004272	11/05/2015	[4393] NYLEX.net. Inc.	AMMONIA NITROGEN W/O DISTILLATION; NITRATE/NI	140.00
00004273	11/05/2015	[2742] SCOTIA TRUE VALUE HARDWARE	MONTHLY MAINTENANCE FOR NOVEMBER 15, 2015 THR	900.00
00004274	11/05/2015	[4525] SHERLOCK RECORDS MGMT	TWO 60LB CONCRETE MIX; FUEL CAN SPOUT	129.69
00004275	11/05/2015	[4699] SIERRA CHEMICAL CO	HARDWARE STOCK INVENTORY	
00004276	11/05/2015	[4152] STOKES & ASSOCIATES, DBA	EPOXY GLUE; GT POLY SGL CONNECTOR; GT 4" BRS	119.20
00004277	11/05/2015	[5647] WHITCHURCH ENGINEERING, INC.	TWO 4PK D BATTERIES; ONE 2PK D BATTERIES	870.89
00004278	11/05/2015	[2779] WILDWOOD SAW	STORAGE SERVICE & BOX REFILING FOR THE MONTH	650.00
00004279	11/05/2015	[4310] CAMERON D YAPLE	RETURNABLE CONTAINER DEPOSITS	27,780.95
00004280	11/10/2015	[5587] ATWELL, MILAN	CHEMICALS & RETURNABLE CONTAINER DEPOSITS	96.39
00004281	11/10/2015	[2293] CITY OF FORTUNA	POLICE OFFICER CANDIDATE BACKGROUND INVESTIGA	349.90
00004282	11/10/2015	[2303] COAST CENTRAL CREDIT UNION	BELLEVIEW & OGLE AVE DRAINAGE STUDY- ENVIRONME	300.00
00004283	11/10/2015	[5127] DELTA DENTAL	5 - BASE PLATES; 10-EYELETS FOR WEEDEATERS	2,075.00
00004284	11/10/2015	[5920] DKF SOLUTIONS GROUP, LLC	SPORT & CYCLE - CLOTHING ALLOWANCE REIMBURSEM	90.00
00004285	11/10/2015	[2396] FERNBRIDGE TRACTOR & EQUIPMENT CO., INC.	CUSTOMER DEPOSIT REFUND	2,120.55
00004286	11/10/2015	[2405] FORTUNA ACE HARDWARE	POLICE DISPATCH SERVICES FOR NOVEMBER 2015	822.55
00004287	11/10/2015	[5241] GE CAPITAL	POA DUES FOR PPE 10/30/15	651.81
			DENTAL INSURANCE FOR DECEMBER 2015	
			SANITARY SEWER PACKETS	
			WINDOW FOR JD	
			137 PIECE CM MECH TOOL SET	
			XEROX COPIER PAYMENT FOR NOVEMBER 2015	140.39
				482.13

CITY OF RIO DELLL CHECK REGISTER

General Checking - US Bank of California

Check	Date	Vendor	Description	Check / Payment
0004288	11/10/2015	[2474] HUMMEL TIRE & WHEEL, INC	FOUR TIRES FOR 2008 FORD F-250 AND TWO TUBES	982.80
0004289	11/10/2015	[2603] PG&E	TWO TIRES & TUBES FOR RIDING MOWER	16,060.98
0004290	11/10/2015	[2742] SCOTIA TRUE VALUE HARDWARE	UTILITY EXPENSES FOR OCTOBER 2015 FOUR BAGS 60 LB CONCRETE MIX POST HOLE FBG DIGGER THREE BAGS 60 LB CONCRETE MIX 8" PRO WHEELBARROW WHEEL	120.26
0004291	11/10/2015	[2710] STARPAGE	PAGING SERVICE FOR NOVEMBER 2015	12.95
0004292	11/10/2015	[2251] STATE BOARD OF EQUALIZATION	ANNUAL WATER RIGHTS PERMIT FEE 7/1/15-6/30/16 ANNUAL WATER RIGHTS PERMIT FEE 7/1/15-6/30/16 ANNUAL WATER RIGHTS PERMIT FEE 7/1/15-6/30/16 INTERNET SERVICE FROM 11/10/15 TO 12/09/15 RETIREMENT FOR PPE 10/30/15 T-WAX CAR WASH, CLEANER, WD40 HUB ASSEMBLY FOR 2002 GMC SIERRA 3/4 TON TRUC	546.72
0004293	11/10/2015	[2319] SUDDENLINK COMMUNICATIONS		134.95
0004294	11/10/2015	[2481] VANTAGEPOINT TRANSFER AGENTS-304361		4,688.05
0004295	11/18/2015	[0576] 101 AUTO PARTS		383.69
0004296	11/18/2015	[5443] AIRGAS USA, LLC		
0004297	11/18/2015	[2237] BANK OF AMERICA BUSINESS CARD	CYLINDER RENTAL COLLEGE OF THE REDWOODS - EXCEL COURSE FOR AC	21.00 1,718.12
0004298	11/18/2015	[4907] CALIFORNIA CONTRACTORS SUPPLIES, INC	STAPLES - 3000 PK AVERY LASER LABELS ARCATA ECONOMIC DEVELOPMENT CORP - BUSINESS L	
0004299	11/18/2015	[5330] CAPITAL ONE COMMERCIAL	USPS.COM EVERY DOOR DIRECT - PROPOSED TWO 24 PACK ALKALINE AAA BATTERIES; THREE BLA	106.28
0004300	11/18/2015	[2293] CITY OF FORTUNA	COSTCO - HOT CUPS ANIMAL CONTROL SERVICES FROM JUNE 2015 THROUG	23.90 7,000.00
0004301	11/18/2015	[3385] EVANS MECHANICAL (1)	ENLARGE RETURN, CLEAN & CHECK FURNACE	750.00
0004302	11/18/2015	[5052] GHD, INC	ENGINEERING SERVICES TO CLOSE LOT LINE ADJUST ENGINEERING SERVICES FOR METROPOLITAN WELLS A	18,218.50
0004303	11/18/2015	[5416] JAMES WILBEE CO, INC.	ENGINEERING SERVICES FOR WATER RATE ANALYSIS	
0004304	11/18/2015	[5414] JAQUES, MATT R.	CMB PUMP FOR CHLORINE GENERATOR CMB PUMP FOR CHLORINE GENERATOR CUSTOMER DEPOSIT REFUND	638.65 65.74

CITY OF RIO DELL
CHECK REGISTERGeneral Checking - US Bank of California

<u>Check</u>	<u>Date</u>	<u>Vendor</u>	<u>Description</u>	<u>Check / Payment</u>
0004305	11/18/2015	[4908] MITCHELL BRISSO DELANEY & VRIEZE	LEGAL SERVICES FOR OCTOBER 2015	2,822.00
			LEGAL SERVICES FOR OCTOBER 2015	
			LEAGL SERVICES FOR OCTOBER 2015	
			LEGAL SERVICES FOR OCTOBER 2015	
			LEGAL SERVICES FOR OCTOBER 2015	
			LEGAL SERVICES FOR OCTOBER 2015	
			POSTAGE PURCHASE FOR RESERVE	
			PROFESSIONAL SERVICES FOR THE PERIOD	400.00
			ENDING 1	2,122.50
			DONATION FOR CHRISTMAS ACTIVITIES	200.00
			PD FUEL EXPENSES FOR OCTOBER 2015	1,250.60
			PW FUEL EXPENSES FOR OCTOBER 2015	
			PD FUEL EXPENSES FOR NOVEMBER 2015	
			PW FUEL EXPENSES FOR NOVEMBER 2015	
			ANNUAL PERMIT FEE FOR WASTEWATER	
			TREATMENT FA	
			ANNUAL PERMIT FEE FOR COLLECTION SYSTEM	7,367.00
			Total Checks/Deposits	107,953.53